

July 14, 2023

To,

**National Stock Exchange of India Limited**

Exchange Plaza,  
Plot No. C/1, G Block,  
Bandra - Kurla Complex, Bandra (East),  
Mumbai - 400 051

**BSE Limited**

Corporate Relations Department,  
1st Floor, New Trading Ring,  
P. J. Towers, Dalal Street,  
Mumbai - 400 001

**Sub: Annual Report for the Financial Year ended March 31, 2023, along with Notice of 45<sup>th</sup> Annual General Meeting (AGM) and E-voting details.**

**Ref: Scrip Code: 501150 and NSE Scrip Code: CENTRUM**

Dear Sir/Madam,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”), we are enclosing herewith the Annual Report (including the Business Responsibility and Sustainability Report) for the Financial Year 2022-2023, along with Notice dated May 19, 2023, setting out the business to be transacted at the 45<sup>th</sup> Annual General Meeting of the Members of the Company, scheduled to be held on Saturday, August 12, 2023, at 03:00 p.m., through Video Conference or Other Audio Visual Means (“VC/OAVM”).

We also wish to inform you that, pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of LODR, the Company is providing remote e-voting facility to all its Members (holding shares in Physical and dematerialized form) to enable them to exercise their right to vote by electronic means on the resolutions proposed at the 45<sup>th</sup> Annual General Meeting.

We hereby submit the following information for the ready reference of the Members of the Company:

Sr. No	Particulars	Remarks
1	Name of the Company	Centrum Capital Limited
2	ISIN	INE660C01027
3	Name of the Agency providing E-voting platform	Central Depository Services (India) Limited (“CDSL”)
4	Name of Scrutinizer	Mr. Umesh P. Maskeri, Company Secretary
5	Cut-off date for E-voting entitlement	Saturday, August 05, 2023
6	E-voting Start Date & Time	Wednesday, August 09, 2023 (09:00 a.m.)
7	E-voting End Date & Time	Friday, August 11, 2023 (05:00 p.m.)
8	No. of Resolutions	9
9	Announcement of Results	Within two working days of conclusion of the AGM

In accordance with the relevant circulars issued by the Ministry of Corporate Affairs (“MCA”) and the Securities and Exchange Board of India (“SEBI”), the Notice of the AGM and the Annual Report of the Company for the Financial Year 2022-23 is being sent through electronic mode to all those members of the Company whose email addresses are registered with the Company and/or Depository Participant(s).

The Notice of the AGM along with the Annual Report for the Financial Year 2022-23 is also uploaded on the Company's website at [www.centrum.co.in](http://www.centrum.co.in) and on the website of Central Depository Services (India) Limited ("CDSL") at <https://www.evotingindia.com/>.

Kindly take the same on your record.

Thanking you.

Yours Faithfully,  
**For Centrum Capital Limited**

**Parthasarathy Iyengar**  
**Company Secretary**  
**Membership No.: A21472**

Encl: a/a

# Stronger for a Bigger Tomorrow



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## Forward-looking statement

Some information in this report may contain forward-looking statements. We have based these statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by futuristic words such as 'believe', 'plan', 'anticipate', 'continue', 'estimate', 'expect', 'may', 'will' or other similar words. These statements may include assumptions or basis underlying the futuristic statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that these statements and assumed facts or basis almost always vary from actual results, and the differences between the results implied by the statements and assumed facts or basis and actual results can be material, depending on the circumstances.



Scan the QR Code to view the report online



To know more about the company, log on to [centrum.co.in](http://centrum.co.in)

# Stronger for a Bigger Tomorrow

Resilience and ambition go hand in hand, especially in difficult and trying times. The disastrous impact of the pandemic on businesses and people, frequent rate hikes by the RBI and a general slowdown in economic activity made the last two years challenging for industry.

While external factors resulted in an overall setback to business growth and expansion, we remained focused on customer-centricity, investing substantially in strengthening our capabilities and refining our offerings to the changing market scenario. Our four-fold approach covered:



## Technology Upgradation

Unity Small Finance Bank Limited ('Unity Bank'), our newest initiative, migrated its Core Banking Solution to a more robust platform that offers AI/ML capabilities along with hyper-personalisation solutions, which help improve every customer's banking experience. Additionally, the Broking Team is working on introducing a robust mobile app with value added features, that will make investing across asset classes super easy.



## Organic and Inorganic Growth

All our business verticals demonstrated healthy organic growth. In addition, Centrum Housing Finance, acquired the business operations of South India based National Trust Housing Finance, giving us a significant presence in the region and elevating us to a PAN India HFC.



## Stronger Partnerships

Our Investment Banking team signed an alliance with AWR Lloyd, a leading consulting and advisory firm to work together in areas of Infrastructure Finance. Additionally, we hosted several industry conferences, bringing together investors and corporates for mutually beneficial collaborations.



## Team Expansion

We strengthened our teams across levels PAN India to boost client outreach and improve customer experience, while adding new product and services verticals. A number of external and internal capability enhancement and team strengthening initiatives were organised through the year.

With a more positive and promising economic outlook now, we enter FY 2024 with our eyes locked on a growth horizon and ears firmly pressed to the ground. We are confident that our efforts seeded during recent years and experiences gained, have prepared us to seize the opportunities ahead for a **Stronger and Bigger Tomorrow!**

# Centrum Group

A diversified financial services organisation with the expertise and rich experience of a large corporation and personalisation and agility of a boutique entity, offering advisory, lending and banking solutions.

One of India's rapidly growing and diversified financial services groups, Centrum has been efficiently servicing the financial and advisory needs of institutions and individuals for over two-and-a-half decades. Led by industry veterans and entrepreneurs **Chandir Gidwani** and **Jaspal Bindra**, Centrum has a PAN India presence,

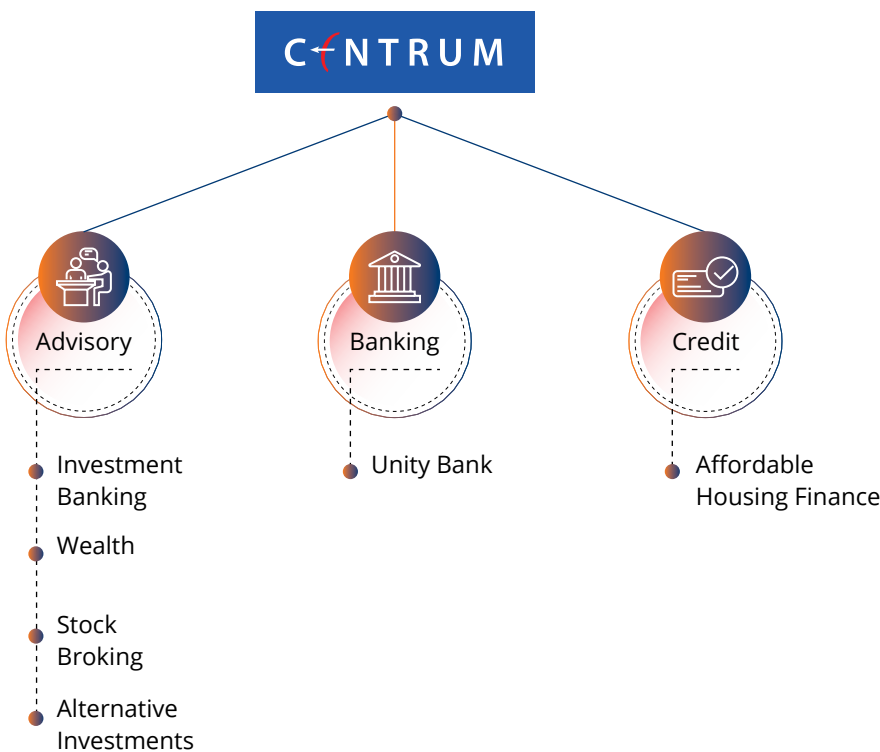
with a strong leadership team of seasoned professionals and an international presence in Singapore. Centrum Capital Limited is listed on the BSE and NSE.

Centrum's Investment Banking division advises corporates in their financial management and offers services across Equity Capital Markets, Corporate Finance, Debt

Syndication and Infrastructure Advisory. It has built a strong wealth franchise that services the investment and insurance needs of HNIs and family offices and currently manages client assets of over ₹ 35,000 crores.

A robust Retail and Institutional Broking platform offers quality research across stocks and sectors. It services FIIs, Pension Funds, Indian Mutual Funds, Domestic Institutions and is steadily building its presence in South East Asia, USA, UK and Europe.

After establishing a successful track record in Advisory services, Centrum strengthened its Lending Services by offering Affordable Housing Finance, MSME Lending and Micro Finance. Its Affordable Housing Finance business caters to borrowers in tier 2 and 3 cities and has built a strong presence across twelve states in India. Centrum's MSME and Micro Finance businesses had built a strong book since inception in 2017 and have subsequently merged with its latest venture, Unity Bank, a new age, digital first bank operating from 300+ locations in India.



# Key Metrics

## Resources and Reach

An integral part of our growth journey, bringing new ideas and insights for greater productivity.

**400+**

Branches & Offices  
PAN India

**5,000+**

Employees across  
businesses

**100+**

Employees with  
10+ years of service

## Results

We have demonstrated a sustained performance over the last few years, and are well-poised for further growth ahead.

**~₹ 786 Cr**

Market Capitalisation  
(NSE & BSE)

**₹ 1,365 Crores**

Consolidated Income

**₹ 35,000+ Crores**

Wealth Client Assets  
Handled

**~100%**

y-o-y Growth in Affordable  
Housing Finance AUM

## Responsibility

The Centrum Foundation, our Corporate Social Responsibility arm, seeks to support the health, nutrition, and well-being of the less fortunate.

**6 lakh+**

Meals Distributed at Cancer  
Shelter Homes

**200+**

Children's Education  
Sponsored till date

**18**

Cochlear Implants  
Sponsored till date

# Executive Chairman's Message



We closely reviewed our strategies for each business, so as to cross leverage strengths and client relationships across business verticals for greater efficiencies and incremental business.

## Dear Shareholders,

Despite the economy witnessing some setbacks through FY 2023 resulting from the after effects of the pandemic, rising inflation and supply chain disruptions, we navigated through the challenging twelve months period, steadfast on strengthening our offerings and internal resources for a bigger outreach. With the economy now in a better shape, I look forward with optimism and excitement on our journey ahead.

I pause a moment to look back at the seven, action packed and eventful years since I came on board as Executive Chairman in 2016. Centrum has emerged as a leading and well respected financial services Group,

with sustained growth in both the advisory and credit businesses, coupled with an exciting new foray into banking. I express my gratitude to our Chairman Emeritus, Chandir Gidwani, for his unwavering support and guidance, our eminent Board, partners and the dedicated Centrum team for their invaluable contribution.

During the year, we closely reviewed our strategies for each business, so as to cross leverage strengths and client relationships across business verticals for greater efficiencies and incremental business. We streamlined processes, revamped technology, collaborated with the right partners to grow organically, while also evaluating in-organic opportunities. I am happy to share that our Advisory businesses

of Investment Banking, Wealth, Broking and Alternative Investments witnessed greater traction. Unity Bank, our newest venture had an action packed, successful first full year of operations and has built a healthy deposit and advances book. Our Affordable Housing Finance business expanded its presence significantly, with its acquisition of National Trust Housing Finance Limited.

## Economic Overview

Notwithstanding the many challenges, the India growth story which started prior to the pandemic, continues to be strong.. The Government's swift and substantial policy responses to the pandemic are the foundation for the rebound in growth, that is likely to make India the fastest growing



among all major economies. This is driven by the relatively robust domestic consumption and lesser dependence on global demand. The Government's strong infrastructure push under the Prime Minister's Gati Shakti (National Master Plan for Multimodal Connectivity) initiative, logistics development and industrial corridor development, will contribute significantly to raising industrial competitiveness and boosting future growth.

The IMF predicts that India's GDP growth is likely to be close to 6% in FY 2023. It expects the country's inflation to ease from 6.9% to about 4.9% during the same period. Our economy is expected to contribute 15% to global growth. India stands tall and steadfast emerging as a beacon of resilience. India also continues its digital thrust relentlessly. The digital economy has grown from 5% in 2014 to 9% today; and is expected to reach 20-21% by 2025. An impressive achievement! At Centrum too, we have significantly increased our thrust on digitization, to improve customer experiences and backend service support.

I now share with you the highlights of your Company's performance in FY2023.

**Advisory Businesses – Saw sustained growth driven by stronger industry partnerships, wider product offerings and increased trading volumes.**

While there was limited response to IPOs, our teams assisted corporates in financial management and raised growth capital through secondary markets. The Infrastructure Advisory team continued to work with leading developers in the Roads, Ports, Clean Tech and Renewables sectors. The Debt Capital Markets (DCM) team worked closely with Private and PSU Banks, NBFCs, AIFs and Credit

funds to close several mandates in restructuring, growth financing, refinancing and special situations. All teams have a strong pipeline of deals in FY2024.

The Wealth business remained steadfast in its efforts to build a larger revenue book, improving productivity and undertaking greater cost control measures. The revenue mix remained broad-based with balanced contribution from distribution of mutual funds, third party products, fixed income instruments and insurance. Presently it handles client assets of over ₹ 35,000 crores. A sharp focus on growth with improved operational efficiencies through better use of technology got the business prestigious recognitions from respected Industry platforms such as Asia Money and The Economic Times. Additionally, Centrum Wealth was recognised as a Great Place to Work by the Great Places to Work Institute, for the second year in a row. Our Insurance Broking business, which has great synergies with the Wealth business, also performed well and delivered stellar growth in revenue.

Centrum's Institutional & Retail Broking teams increased their outreach with corporates and investors within India and abroad. The institutional business increased the number of stocks under its coverage to offer a wider and balanced mix of scrips to clients. It strengthened its Research and Sales teams and increased investments to improve its backend technology. Its international outreach to clients in South East Asia, USA, UK and Europe also gained significant traction. Our teams played a key role in bringing corporates and investors together by hosting several sector-focused investor conferences, which were successful. The Retail Broking vertical launched its new mobile trading app Centrum Wave

Centrum's Institutional & Retail Broking teams increased their outreach with corporates and investors within India and abroad. The institutional business increased the number of stocks under its coverage to offer a wider and balanced mix of scrips to clients.

which was liked by clients. With inflation easing the business expects increased momentum in both its domestic and international outreach and empanelments.

The Alternative Investments vertical manages our Private Equity and Structured Credit portfolios. Owing to an increased demand for private capital, the private credit business (Modulus Alternatives) made three new investments across fertilizers, power and pharmaceuticals sectors, while successfully exiting one of its earlier investments. Given the sustained economic growth and momentum in the private sector capex cycle, we expect the business to grow well. We are also working towards achieving the first close of our new venture debt fund - Ignis, and will look at introducing new AIFs in select areas with significant untapped potential.

## Executive Chairman's Message

**Our Affordable Housing Finance vertical stepped up operations and recorded significant growth. We doubled our AUM and crossed the ₹ 1,000 crore milestone.**

### **Affordable Housing Finance – Well capitalised and widening its presence**

Our Affordable Housing Finance vertical stepped up operations and recorded significant growth. We doubled our AUM and crossed the ₹ 1,000 crore milestone. Besides growing organically, we also acquired the business of South India based, National Trust Housing Finance (NATRUST). NATRUST brought a healthy loan book of over ₹ 300 crores and a team of 150 members, all of whom have seamlessly integrated with the Centrum family. Moreover, the acquisition expanded our presence in new geographies and we now operate from 12 states, making us a National Housing Finance player in India.

### **Unity Bank – A New Age, Digital First Bank**

Unity Bank's first full year of operations, FY 2023 was action packed, driven by strengthening of the asset and liability franchises,

successful integration of PMC Bank's team and customers, geographic expansion, growing the senior management group and more importantly, an increased thrust on digitization. We revamped and upgraded several of our branches to become more digital, modern in layout and more efficient. More importantly, we upgraded our Core Banking System (CBS) with a state-of-the-art digital platform, M2P Fintech's Turing CBS. This reinforces our commitment to continuously improve the banking experience of our customers, while ensuring that the CBS remains reliable, nimble, secure and supports future digital initiatives. Additionally, we achieved the status of a Scheduled Bank and were included in the Second Schedule of the Reserve Bank of India Act. This unlocks numerous benefits in the form of membership to clearing houses and access to funds from the RBI and government Institutions. We also received our RTGS/NEFT memberships and made the services live for customers in a relatively short time.

FY2024, will see us rolling out our Banking App, with substantial marketing and promotional support, drawing new untapped customers to Unity. Additionally, new branches will be rolled out in existing and new geographies. We are confident that with our investments on strengthening technology, building brand awareness and creating a customer friendly banking app, we will further scale up operations.

### **Financial Performance**

During the year, we focused on building a granular loan book in our

Banking and Affordable Housing finance business, while continuing with steady consolidation in our Advisory businesses. Unity Bank's Net Loan Book doubled from ₹ 2,366 Crore to ₹ 4,867 Crore, driven by addition of granular loans to MSMEs and Microfinance borrowers. Centrum Wealth delivered a healthy Profit Before Tax of ₹ 61.5 Crore, whereas our Institutional Broking & other Advisory businesses delivered breakeven operating results. Our Consolidated Income for the year ending 31st March, 2023 was ₹ 1,365 Crore up ~90% Y-o-Y. Owing to enhanced provisions made for Unity Bank, our profitability was impacted.

### **Centrum Foundation – Supporting the Health, Nutrition & Well Being of the Underserved**

At Centrum, we believe that we have a responsibility to not only manage our businesses with the highest levels of transparency, but also to positively impact the communities in which we operate. The Centrum Foundation our CSR arm, has enabled us to make this belief a reality by supporting a range of initiatives to Serve the Underserved in the areas of Health, Nutrition and Well-being. From providing access to healthcare and education, to feeding the hungry to helping people impacted by calamities, the Foundation has brought much needed relief and comfort to many. Some of the initiatives undertaken include:

#### **Cochlear Implants for children with Hearing Impairment**

We have supported the surgeries of 18 children till date from marginalised families and restored their hearing.

They have subsequently undergone speech and hearing therapy, and now attend school like all other children.

### Free OPD Services

In association with the Pediatric Department of Sion Hospital, Mumbai, we offer free OPD treatment, medicines and medical devices to children with pulmonary complaints, such as asthma, requiring long term treatment.

This year along with the Zariya Foundation, we supported the poor & marginalised families of Rajasthani folk musicians and performing artists. These artists despite their difficult

financial condition are working hard to preserve the rich folk music and cultural tradition of India.

Our support to old age homes and meals to families of cancer patients being treated at the Tata Memorial Hospital continues.

### FY2024 – An Exciting Journey Awaits Us

Moving ahead, we are geared to leverage the exciting opportunities that we expect will emerge in the new and improving economy. Our recent efforts in strengthening our internal capabilities and resources, should stand us in good stead to deliver and grow. With a competent and committed team, our thrust

on using technology and strong partnerships, we are excited about our journey ahead. Our team's talent, expertise, and dedication have been the foundation of our growth so far, and we will continue to prioritize their development and wellbeing. We remain committed to creating value for all stakeholders.

On behalf of the Board, I take this opportunity to thank our clients, investors, regulators, and you dear shareholders for the continued trust and confidence in the Centrum Group.

With Best Wishes,  
**Jaspal Singh Bindra**

# Reaching Important Milestones

## Growth through transformation

We started off in 1997 as a merchant banker and have since expanded our portfolio to offer diversified advisory solutions, credit and more recently banking. It has been an exciting and rewarding journey servicing institutional, retail and HNI clients pan India. Here is a quick overview of the significant developments over the last few years:

- Launched maiden structured credit fund- Centrum Credit Opportunities Fund.
- Established International presence with office in Singapore.
- Acquired the Business Operations of Altura Finance Limited.

### 2019



### 2018

- Successfully monetised the Money Exchange business CentrumDirect by selling it to Atlanta based, NASDAQ listed – Ebix Inc.
- Acquired L&T Finance's Supply Chain Finance Business.



### 2020

- Morgan Stanley's PE fund invested ₹ 190 cr in Centrum Housing Finance.
- NBFC vertical successfully securitized ₹ 50 cr of the Supply Chain dealer financing and vendor financing book.
- Micro Finance Business raised USD 5.55 million from Singapore-based Impact Investment Exchange (IIX).

- Unity Bank scales up operations. Offers attractive interest rates on Savings Accounts and Fixed Deposits
- Centrum Housing Finance acquired the business operations of National Trust Housing Finance
- Strategic alliance with AWR Lloyd to offer Investment Banking services
- Centrum Wealth certified as 'Great Place to Work' by Great Places to Work Institute

## 2022



## 2021

- RBI issued Small Finance Bank License to Centrum – the first after a gap of almost 7 years!
- Unity Small Finance Bank Limited commenced operations. Quick turnaround from in-principle approval to operationalisation.
- MOU with Bank of Baroda for Co-Lending of Home Loans.



## 2023

- Unity Bank tied up with three life insurance companies to offer innovative insurance solutions to its customers
- Rolled out Digital Banking Platform
- Collects over ₹ 2,000 crores in deposits
- Centrum Wealth certified as 'Great Place to Work' by Great Places to Work Institute for the second consecutive year

# Board of Directors



**Chandir Gidwani**

*Founder and Chairman Emeritus*



**Jaspal Singh Bindra**

*Executive Chairman*



**Mahakhurshid Byramjee**

*Non-Executive Director*



**Rishad Byramjee**

*Non-Executive Director*



**Rajesh Kumar Srivastava**

*Non-Executive Director*



**Ramachandra Kasargod Kamath**

*Non-Executive Director*



**Anjali Seth**

*Non-Executive Independent Director*



**Essaji Vahanvati**

*Non-Executive Independent Director*



**Manmohan Shetty**

*Non-Executive Independent Director*



**Narayan Vasudeo  
Prabhutendulkar**

*Non-Executive Independent Director*



**Subhash Kutte**

*Non-Executive Independent Director*



**Subrata Kumar Mitra**

*Non-Executive Independent Director*



**Sankaranarayanan  
Radhamangalam  
Anantharaman**

*Non-Executive Independent Director*

# Key Achievements

**Business expansion driven by increased geographic presence, acquisitions, greater client outreach and strategic partnerships.**

Disruptions for more than two years prompted us to carefully examine our plans for each business in order to cross-leverage capabilities within the group and achieve higher efficiency. We streamlined our processes, revamped technology, collaborated with the right partners to grow organically and also evaluated inorganic opportunities.

While we have emerged stronger from the effects of the pandemic, we spent considerable time in strengthening our commitment towards growing our **A-B-C businesses**.



## A – Advisory

Our Investment Banking and Broking teams collaborated to close several transactions. In spite of challenges in financial markets, our Wealth and Alternative Investment teams leveraged strengths to capitalise on unique investment opportunities and structures for maximising client wealth.

## B – Banking

Unity Bank propelled its business outreach by introducing its Liabilities proposition with attractive rates of interest on Savings and Fixed Deposit Accounts, generating substantial deposits. Its Asset book too grew significantly driven by greater client outreach.

## C – Credit

Our Affordable Housing Finance business completed its maiden acquisition of National Trust Housing Finance, thereby firmly growing its presence in South India. It also ramped up its geographic presence pan India, and now operates out of twelve states.

The following pages capture a glimpse of the key developments during the year.



# Advisory Businesses

## Investment Banking

Our Equity Capital Markets and Debt Syndication teams worked closely to advise marquee clients in their Capital Raising and Business Advisory Plans.

### Equity Capital Markets and Corporate Finance

#### Book Running Lead Manager (Left Lead)

- Proposed IPO of JG Chemicals Limited (DRHP filed)
- Proposed IPO of a Mumbai-based real estate development company

#### Lead Manager

- Rights issue of Goa Carbon Limited (DLOF filed)

#### Sole Advisor

- To a secondary stake sale of shares of SBI General Insurance
- To a restaurant chain in their fund raise plans
- To an apparel contract manufacturing company in their fund raise plans
- To a leading player in the cybersecurity space in their fund raise plans

- To a leading internet service provider in their fund raise plans
- To a secondary stake sale of shares of a digital platform and a market leader in the MSME lending space
- To a secondary stake sale of shares of India's leading merchant platform providing financing and retail transaction technology

### Debt Capital Markets

- Arogram Hospital Trust - Project Loan - ₹ 100 crs
- Tasty Dairy Ltd - Restructuring - ₹ 100 crs
- Apollo International Ltd - Working Capital - ₹ 100 crs
- OPG Power Generation Ltd - Refinancing - ₹ 75 crs
- Arunachal Pradesh Power Corporation Ltd (Working Capital) - ₹ 60 crs
- Hotel Tiptop International Ltd (Restructuring) - ₹ 60 crs

### Strategic Alliance with AWR Lloyd

In August 2022, our Infrastructure Advisory team entered into a strategic partnership with AWR Lloyd, a leading Indo-Pacific strategy consulting and transaction advisory firm. Through the alliance both companies are leveraging each other's strengths and relationships on deal making, corporate finance, transaction advisory and strategy consulting in the areas of Infrastructure, Energy and Utilities, Cleantech, Logistics and Mobility primarily focused on the sustainability theme.



Team Centrum signs strategic partnership with AWR Lloyd

# Advisory Businesses

## Centrum Wealth – Unlocking New Milestones

Our Wealth business had a milestone year with relative out-performance across several parameters and more importantly, clocked in record profitability. Several initiatives undertaken in the recent past to adapt to smarter technologies have helped improve customer service, expand outreach and drive increased business from existing as well as on-board new customers. These achievements highlight the collective efforts of the team and we are confident, the momentum will be maintained in the years ahead too.



### Centrum Wealth Reaches 5,000 Insurance Policies Milestone

We ventured into the Insurance distribution business in 2017, and in spite of two years of limited growth during the pandemic, in February 2023 our team achieved the milestone of distributing 5,000 policies through greater client outreach and strong relationships with insurance companies.

## Fostering Stronger Relationships

### Ongoing dialogues with varied stakeholders, led to successful initiatives and long-term relationships.

Our Institutional Broking team regularly engages with investors, corporates and intermediaries by periodically organising engaging events to interact, debate and collaborate on new ideas, on-ground insights and business initiatives.

### Orion - Our Flagship Investor Conference

Our flagship investor conclave— Orion- One India - Many Paths to Prosperity— was hosted in November, 2022. The event saw participation from over 100 corporates and 50 domestic and foreign institutional investors. Over 1,000 meetings were facilitated, with our team showcasing the steady growth and strong potential of the corporates. Prominent companies such as Sun Pharma, Coal India and Hindalco participated.

### Thematic Conferences

With the effects of the pandemic now behind us, several sectors have seen a revival. Our teams worked closely with stakeholders to identify changes in buying behaviour, impact of increasing interest rates and inflation, supply side constraints, amongst other key trends. We hosted three thematic conferences, which were appreciated by investors, corporates and industry bodies.

#### 1 Rural Pulse, March 2023

Insights on demand outlook and trends in consumption sectors, in rural India.

#### 2 Sugar and Bio-energy Conference, March 2023

Participation from several listed and unlisted entities, depicting strong potential.

#### 4 Metals Corporate Day, April 2022

Large companies shared their views on fear of margin deterioration in steel and insights on improved outlook of base metals.

#### 3 Dealers Insights, January 2023

Dealers from FMCG, Consumer Durables, Cement, OEMs and Auto sectors shared on-ground trends and buying patterns with Investors.



# Credit - Affordable Housing Finance

## Key Achievements

### Acquired NATRUST

In December 2022, Centrum Housing Finance acquired the business of South India-based affordable housing company, National Trust Housing Finance Ltd (NATRUST). This was the first acquisition made by the Company and it helped propel their AUM to over ₹ 1,000 crores.

We acquired NATRUST's home finance company, including the loan portfolio, branches, and employees. The acquisition will spur growth and consolidate our presence in South India. We organised townhalls to introduce the NATRUST team to the Centrum family, with our senior management team briefing them on our vision, policies, and growth goals.

### Strengthened presence in Uttar Pradesh

Taking advantage of the growing affordable housing market in Uttar Pradesh, in September 2022, our team set up its zonal headquarters in Lucknow.

The occasion was graced by Chief Guest, Shri Kaushal Kishore, Honourable Minister of State, Housing & Urban Affairs, Government of India. The event was also attended by Shri Shiva Gopal Mishra, Honourable General Secretary, All India Railwaymen's Federation.

Lucknow is emerging as a hub for manufacturing, food processing, electronics, banking, IT, and real estate. The notable growth in commerce and industry in the state has led to job creation, resulting in strong demand for affordable housing.



# Banking – Unity Small Finance Bank Limited

## Building a strong foundation for the future

FY 2023, the bank's first full year of operations, was action packed, driven by strengthening of the asset and liability franchises, geographic expansion, strengthening of the senior management team and more importantly, an increased thrust on digitisation. The year saw us achieve Scheduled Bank status, migrate to a new core banking solution and introduce several initiatives to improve customer service.



### Inderjit Camotra appointed MD & CEO

In August 2022, the Unity Board appointed Mr Inderjit Camotra as its MD & CEO.

Mr Camotra has been at the forefront during the transition from Centrum Financial Services to Unity Bank, setting up processes and products while working closely with all teams, clients, intermediaries and regulators. His vast experience across many facets of banking in India and abroad, will add significant value in giving Unity Bank a strong foundation and would help shape its long term future.

### Achieved scheduled bank status

In July 2022, we were elevated to a Scheduled Bank and included in the Second Schedule of the Reserve Bank of India Act. Being a scheduled bank unlocks numerous benefits such as membership to clearing houses and access to funds from the RBI and Government institutions. A stepping stone to bigger milestones.

**SHAGUN DEPOSITS**

ENJOY HIGHER FIXED DEPOSIT INTEREST\* RATES.

Tenure	General FD rates	Senior Citizen FD rates
181-201 Days	8.75%	9.25%
501 Days	8.75%	9.25%
901 Days	9.00%	9.50%

Up to **9.5%** p.a. for Senior Citizens, interest paid monthly without discounting

**Scheduled commercial bank**  
Deposits insured by DICGC up to Rs. 5 lakhs.

1122 care@unitybank.co.in



### Steady growth demonstrated by all business verticals of Unity

#### ₹ 2000+ crores in fixed deposits

Driven by our attractive interest rate proposition and strong branch network, the Bank has built a deposit base of over ₹ 2,000 crores. It is heartening to note, that several depositors of erstwhile PMC Bank have continued their banking relationship with us, retained and placed fresh deposits, demonstrating faith in our capabilities.

We also welcomed several new clients who opened savings accounts and placed fixed deposits.

#### Business Banking with scales up to ₹ 2,700 crores AUM

Our Business Banking Group offers loans to the backbone of the Indian economy — MSMEs for business expansion. We are happy to share that the business has built a sizeable portfolio of AUM of over ₹ 2,700 crores. The business growth is evenly distributed between secured loans, unsecured loans and supply chain finance, depicting a healthy contribution from all services.

#### ₹ 1,000 crores AUM for Inclusive Banking

Our Inclusive Banking team caters to women borrowers in semi urban and rural areas, providing them with finance to pursue their entrepreneurial dreams. This business has grown its AUM to cross ₹ 1,000 crores, while enabling over 4 lakh women to build, nurture and grow their businesses.

### Diversifying our solutions

Unity has partnered with three renowned life insurance companies — PNB Metlife, Bharti Axa and HDFC Life — to distribute their policies to our clients. Life Insurance solutions offer customers an avenue for long-term savings along with security for loved ones. The partnerships will provide customers with solutions for wealth creation as well as protection against adversities. With our growing branch network and multiple life insurance solutions, we are confident that our customers across the country will benefit immensely.

### Technology at the forefront

#### A state-of-the-art core banking solution

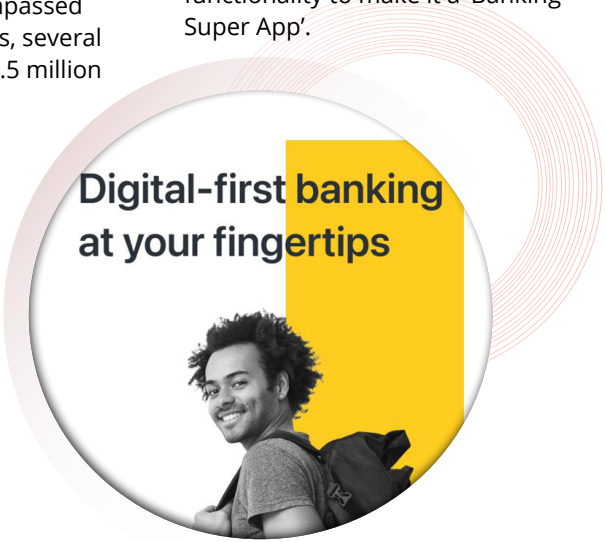
We upgraded our Core Banking System (CBS) with the state-of-the-art digital platform, M2P Fintech's Turing CBS.

Our previous CBS encompassed 111 established branches, several stakeholders, and over 1.5 million

customers, all of which were migrated in a record 88 days. Our new CBS includes AI/ML capabilities and agility with hyper-personalisation solutions. It is the only CBS with a pre-integrated financial risk management engine. This reinforces our commitment to continuously improving the banking experience for our customers, while ensuring that the CBS remains reliable, nimble, secure and supports all future digital initiatives of the bank.

#### Launch of mobile banking app

Unity recently launched its mobile banking app. Easy to use yet technologically robust, the app offers customers a variety of banking services such as easy account opening within minutes, smooth money transfers and an interactive spend analyser that helps them plan their finances better. The app will undergo continuous upgrades to further enhance its aesthetics and functionality to make it a 'Banking Super App'.



Digital-first banking  
at your fingertips

# Inspiring Excellence

While the journey itself is a reward, it is gratifying to be recognised. We are honoured that highly credible industry forums have recognised our work with a number of awards. These accolades inspire us to work harder. Some awards that Centrum has won in the last year:



# Centrum Foundation - Serving the Underserved

At Centrum, we have always believed that in addition to managing and growing our businesses with the highest standards of transparency and corporate governance, we should contribute to improving the lives of the not-so-fortunate in the country. The Centrum Foundation continues to pursue initiatives in areas of health, nutrition and well-being, bringing relief to a large number of underserved members of the community.



## Cochlear implants programme

Cochlear implants restore hearing impairment in children, who are born deaf. Being expensive, children from poor families are unable to afford them. We recently began our Cochlear implants programme and have since supported the surgeries of 18 children from marginalised families to restore their hearing. They later received speech and hearing therapy and are now enrolled in school.



## Free OPD services

In association with the Paediatric Department of Sion Hospital, Mumbai, we offer free OPD treatment, medicines and medical devices to children with pulmonary complaints, such as asthma, which require long-term treatment.



## Adoption of cancer shelter homes

The Foundation has adopted several cancer shelter Homes in Mumbai and provides free meals to the inmates, who come from across the country for treatment at the Tata Memorial Hospital, Mumbai.

The Foundation also organised several cultural activities at the shelter homes along with donation of various equipment.



## Preserving Rajasthani music and culture

The Centrum Foundation, in collaboration with the Zariya Foundation, supports the underprivileged and marginalised families of Rajasthani folk musicians and performers. Regardless of their financial situation, these musicians labour tirelessly to maintain India's rich folk music and cultural history, while also providing opportunities for native talent.



# Corporate Information

## Board of Directors

**Chandir Gidwani**

*Founder and Chairman Emeritus*

**Jaspal Singh Bindra**

*Executive Chairman*

**Mahakurshid Byramjee**

*Non-Executive Director*

**Rishad Byramjee**

*Non-Executive Director*

**Rajesh Kumar Srivastava**

*Non-Executive Director*

**Ramachandra Kasargod Kamath**

*Non-Executive Director*

**Anjali Seth**

*Non-Executive Independent Director*

**Essaji Vahanvati**

*Non-Executive Independent Director*

**Manmohan Shetty**

*Non-Executive Independent Director*

**Narayan Vasudeo Prabhutendulkar**

*Non-Executive Independent Director*

**Subhash Kutte**

*Non-Executive Independent Director*

**Subrata Kumar Mitra**

*Non-Executive Independent Director*

**Sankaranarayanan  
Radhamangalam Anantharaman**

*Non-Executive Independent Director*

## Chief Financial Officer

Sriram Venkatasubramanian

## Company Secretary and Compliance Officer

Parthasarathy Iyengar

## Registered and Corporate Office

Level 9, Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai- 400 098

Tel.: 022-4215 9000

Website: [www.centrum.co.in](http://www.centrum.co.in)

E-Mail: [Secretarial@centrum.co.in](mailto:Secretarial@centrum.co.in)

## Registrar and Share Transfer Agents

Link Intime India Private Limited

C-101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai-400 083

Tel. No.: 022 - 4918 6000

Fax No.: 022 - 4918 6060

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

E-Mail: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

## Bankers

HDFC Bank Limited

City Union Bank Limited

The Federal Bank Limited

Unity Small Finance Bank Limited

## Statutory Auditors

Sharp & Tannan

Chartered Accountants

Ravindra Annexe,

194, Backbay Reclamation,

Dinshaw Vachcha Road,

Mumbai 400 020

Tel. No.: 022 - 2286 9900 / 2204 7722

Website: [www.sharpandtannan.com](http://www.sharpandtannan.com)

E-Mail: [admin.mumbai@sharpandtannan.com](mailto:admin.mumbai@sharpandtannan.com)

[sharpandtannan.com](http://sharpandtannan.com)

# Directors' Report

Dear Members,

The Directors have pleasure in presenting the 45<sup>th</sup> Annual Report and Audited Accounts of the Company for the Financial Year ended March 31, 2023.

## 1. Financial Highlights

The summarized performance of the Company for the Financial Years 2022-2023 and 2021-2022 is given below:

Particulars	Standalone		Consolidated	
	2022-2023	2021-2022	2022-2023	2021-2022
	(₹ in Lakhs)			
<b>Net revenue from operations</b>	2,090.39	2,808.76	1,28,645.01	67,993.48
Net Gain/(Loss) on Fair value change	-	534.24	1,513.49	-
Add: Other operating income	500.00	367.69	847.40	1,459.71
<b>Total revenue from operations</b>	<b>2,590.39</b>	<b>3,710.68</b>	<b>1,31,005.91</b>	<b>69,453.19</b>
Other Income	3,224.88	2,605.29	5,543.96	1,978.54
<b>Total Income</b>	<b>5,815.27</b>	<b>6,315.97</b>	<b>1,36,549.86</b>	<b>71,431.73</b>
Total Expenditure before finance cost, depreciation & exceptional items and taxes and impairment of financial assets	6,199.62	3,330.05	80,290.54	44,151.29
<b>Profit/(Loss) before finance cost, depreciation, exceptional items and taxes and impairment of financial assets</b>	<b>(384.35)</b>	<b>2,985.92</b>	<b>56,259.33</b>	<b>27,280.45</b>
Impairment of Financial Assets	105.93	859.59	6,688.64	10,566.81
<b>Profit/(Loss) before finance cost, depreciation, exceptional items and taxes</b>	<b>(490.28)</b>	<b>2,126.33</b>	<b>49,570.69</b>	<b>16,713.63</b>
Less: Finance cost	7,127.40	5,508.30	63,640.09	32,998.70
<b>Profit/(Loss) before depreciation, exceptional items and taxes</b>	<b>(7,617.67)</b>	<b>(3,381.97)</b>	<b>(14,069.40)</b>	<b>(16,285.07)</b>
Less: Depreciation	170.12	185.46	3,795.03	2,146.81
<b>Profit before exceptional items and taxes</b>	<b>(7,787.79)</b>	<b>(3,567.44)</b>	<b>(17,864.43)</b>	<b>(18,431.87)</b>
Add/Less :Net Profit for the year from Discontinued Operations	-	11.98	-	-
<b>Profit/(Loss) before taxes</b>	<b>(7,787.79)</b>	<b>(3,555.46)</b>	<b>(17,864.43)</b>	<b>(18,431.87)</b>
Less: Provision for current taxation	0.13	92.51	1,566.17	593.22
Less: Provision for Income Tax for earlier Years	(118.93)	(119.10)	(1,104.87)	(42.94)
Less: Provision for deferred taxation and MAT	(431.50)	(137.34)	(31.86)	11.77
<b>Profit/(Loss) after taxes available for appropriation.</b>	<b>(7,237.49)</b>	<b>(3,391.53)</b>	<b>(18,293.87)</b>	<b>(18,993.92)</b>
Total Other Comprehensive Income/(Loss)	0.19	(6.71)	76.92	(447.14)
Add: Share in Profit/(Loss) of Associates	-	-	-	-
Less: Minority Interest	-	-	-	-
<b>Balance to be carried forward</b>	<b>(7,237.30)</b>	<b>(3,398.22)</b>	<b>(18,216.95)</b>	<b>(19,441.05)</b>

## 2. Financial Performance and State of Company Affairs

Information on the operational and financial performance of the Company is given in the Management Discussion and Analysis Report, which is annexed to this Report and is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

## 3. Consolidated Financial Statements

As per Regulation 33 of the Listing Regulations and applicable provisions of the Companies Act, 2013 ("the Act"), read with the Rules issued thereunder, the Consolidated Financial Statements of the Company for the Financial Year 2022-23, have been prepared in compliance with applicable IND AS and on the basis of Audited Financial Statements of the Company, its Subsidiaries and Associate Companies, as approved by the respective Board of Directors. In accordance with the applicable IND AS 110 on Consolidated Financial Statements read with the Listing Regulations, the Consolidated Audited Financial Statements for the year ended March 31, 2023, are provided in the Annual Report.

A statement containing the salient features of the Financial Statements of each of the Subsidiary and Associates in the prescribed Form AOC-1 is annexed as **Annexure A** to this Annual Report.

The Company shall provide free of cost, the copy of the Financial Statements of its Subsidiaries to the Shareholders upon their request. The statements are also available on the website of the Company [www.centrum.co.in](http://www.centrum.co.in).

## 4. Transfer to Reserves

No amount has been transferred from Profit and Loss Account to Reserves. ₹ 368.09 Lakhs are being transferred from Share Outstanding Option Account to General Reserve. No amount has been transferred from Debenture Redemption Reserve to General Reserve.

## 5. Dividend

With a view to conserve resources for future operations and growth, the Board has not recommended any dividend for Financial Year 2022-23.

In accordance with Regulation 43A of the Listing Regulations, the Company has formulated a 'Dividend Distribution Policy' and details of the same have been uploaded on the Company's website [www.centrum.co.in](http://www.centrum.co.in)

## 6. Unclaimed Dividend

Details of Unclaimed Dividend as on March 31, 2023:

Particulars	Amount (₹)	Corresponding Shares liable to be transferred to IEPF
Dividend Account 2016-17	1,62,296.05	32,45,921
Interim Dividend Account 2017-18	1,57,321.80	31,46,436
Final Dividend Account 2018-19	1,06,331.30	21,26,626

## 7. Business Overview & Future Outlook

A detailed business review & outlook of the Company are appended in the Management Discussion and Analysis section of the Annual Report.

## 8. Merger & Acquisition

Hon'ble National Company Law Tribunal, Mumbai issued order dated April 10, 2023 for merger of Centrum Microcredit Limited, Wholly-owned subsidiary of the Company with Centrum Capital Limited with appointed date as April 01, 2022 ("CML Merger Order").

## 9. Share Capital

Pursuant to the CML Merger Order, the Authorised Share Capital of the Company is now ₹1,65,01,00,000 (Rupees One Hundred Sixty Five Crores and One Lakh Only) divided into 1,65,01,00,000 (One Hundred Sixty Five Crores and One Lakh) Equity Shares of ₹ 1 each. During the Financial Year under review, there was no change in the paid-up Share Capital of the Company.

## 10. Debentures

During the Financial Year under review, the Company issued 21,232 Unlisted Market Linked Debentures amounting to ₹21,411.54 Lakhs (including premium) and redeemed 10,426 Listed Market Linked Debentures amounting to ₹10,426.00 Lakhs.

## 11. Credit Rating

As on the date of the report there are no outstanding listed MLDs. The last rating was taken by the Company on August 25, 2022 wherein the Company's outstanding Principal Protected Market Linked Debentures (PPMLD) of ₹ 43.14 crores were assigned a rating of BWR PPMLD BBB / Negative (Reaffirmed and Outlook assigned as Negative and resolved Credit Watch with developing implications) by Brickwork Ratings.

## 12. Debenture Trustees

Beacon Trusteeship Limited acts as the Debenture Trustee for all Non-convertible Debentures (NCDs) issued by the Company.

## 13. Management Discussion and Analysis

The Management Discussion and Analysis forms an integral part of this Report and gives details on the overall industry structure, economic developments, performance and state of affairs of the Company's various businesses, internal controls and their adequacy, risk management systems and other material developments during the Financial Year 2022-23. The Management Discussion and Analysis is annexed as **Annexure B** to this Annual Report.

## 14. Business Responsibility and Sustainability Report

The Group is committed to reducing its carbon footprint, implementing sustainable practices, and preserving natural resources. On the Social front, the group is promoting diversity and inclusion, respecting human rights, and engaging with local communities. As part of its Governance approach, the group ensures transparency, accountability, and ethical behaviour throughout the organization.

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) is annexed as **Annexure C** and forms part of the Annual Report.

## 15. Material Changes and Commitments

There were no material changes and commitments affecting the financial position of your Company between the end of the Financial Year and date of the Report.

## 16. Shifting of Registered Office

During the year under review the registered office of the Company was shifted from 2<sup>nd</sup> floor, Bombay Mutual Building, Dr. D. N. Road, Fort Mumbai - 400001 to Level-9, Centrum House, C.S.T. Road, Vidyanaagari Marg, Kalina, Santacruz (East) Mumbai - 400098 within the jurisdiction of the same Registrar of Companies i.e. Mumbai, with effect from December 05, 2022.

## 17. Corporate Governance Report

At Centrum, we ensure that we evolve and follow corporate governance guidelines not just to boost long-term shareholder value, but also to respect minority interest. We consider it our responsibility to disclose timely and accurate information regarding financial, business performance and governance of the Company.

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance forms an integral part of this Report. The Corporate Governance Report is annexed as **Annexure D** to this Annual Report.

## 18. Listing Fees

The Company's equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Company has paid listing fees up to the Financial Year 2023-24.

## 19. Number of Meetings of the Board and its Committees

The details of the Meetings of the Board of Directors and its Committees, convened during the Financial Year 2022-23 are given in the Corporate Governance Report, which forms part of this Report.

## 20. Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required by the Board as a whole and its individual members with the objective of having a Board with a diverse background and rich experience in business. Characteristics expected from all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively

in deliberations and willingness to exercise authority in a collective manner. The Policy regarding the same is available on the website of the Company [www.centrum.co.in](http://www.centrum.co.in)

## 21. Nomination and Remuneration Policy

The Company has in place a Nomination and Remuneration Policy for Directors, Key Managerial Personnel, Senior Management and other employees pursuant to the provisions of the Act and the Listing Regulations, as set out in **Annexure E**, which forms part of this Report.

## 22. Familiarisation Programme for Independent Directors

In terms of Listing Regulations, the Company is required to familiarize its Independent Directors with their roles, rights and responsibilities in the Company etc., through interactions and various programmes.

The Independent Directors are also required to undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company in terms of Schedule IV of the Act.

The details on the Company's Familiarization Programme for Independent Directors is available on the Company's website [www.centrum.co.in](http://www.centrum.co.in)

## 23. Board Evaluation

Pursuant to the provisions of the Act, read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors/ Board/Committees was carried out.

The criteria applied in the evaluation process is detailed in the Corporate Governance Report, which forms part of this Report. In a separate Meeting of Independent Directors, evaluation of the performance of Non- Independent Directors, performance of Board as a whole and performance of the Chairman was done after taking into account the views of Executive and Non-Executive Directors.

## 24. Declaration by Independent Directors

The Company has received declarations from all Independent Directors confirming that, they meet the criteria of independence as prescribed under the

provisions of the Act, read with the Schedules and Rules issued thereunder as well as Regulation 16(1) (b) of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

## 25. Independent Directors' Meeting

A meeting of Independent Directors was held on February 13, 2023, as per Schedule IV of the Act read with Regulation 25(3) of Listing Regulations.

## 26. Changes in Directors and Key Managerial Personnel

Mr. Jaspal Singh Bindra was re-appointed as Executive Chairman of the Company for a period of 3 years with effect from April 21, 2022 to April 20, 2025 vide Postal Ballot Resolution passed on April 2, 2022.

Mr. Essaji Vahanvati (DIN: 00157299) was appointed as an Independent Director by Members vide Postal Ballot Resolution dated December 20, 2022 for a period of 5 years commencing on October 14, 2022 to October 13, 2027.

Mr. Rajesh Kumar Srivastava (DIN: 00302223), was re-designated as Non-Executive Non-Independent Director from Independent Director of the Company with effect from November 23, 2022.

As per the provisions of the Act and Articles of Association of the Company, Mr. Rishad Byramjee (DIN: 00164123) Non-Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, seeks re-appointment. The Board has recommended his re-appointment.

Information pursuant to Regulation 36(3) of the Listing Regulations with respect to the Director seeking Re-appointment is appended to the Notice convening the ensuing Annual General Meeting. The Board recommends his re-appointment.

Due to increased personal commitments, Mr. Rajasekhara Reddy (DIN: 02339668), Non-Executive Independent Director of the Company resigned from the directorship of the Company with effect from September 05, 2022. The Board places on record its appreciation for the valuable services rendered by him during his tenure as Director of the Company.

Mr. Balakrishna Kumar was appointed as Company Secretary of the Company w.e.f. April 8, 2022 till May 9, 2022.

Mr. Parthasarathy Iyengar was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. May 10, 2022.

## 27. Key Managerial Personnel

Mr. Jaspal Singh Bindra is the Executive Chairman of the Company. Mr. Sriram Venkatasubramanian is the Chief Financial Officer. Mr. Parthasarathy Iyengar is the Company Secretary and Compliance Officer of the Company.

## 28. Disclosure under Section 197(14) of the Act.

The Executive Chairman of the Company has not received any commission from its holding or subsidiary companies. The Executive Chairman received a sum of ₹ 1,00,000/- from Unity Small Finance Bank Limited ("Bank") as a fee for attending the Board Meetings of the Bank.

## 29. Directors' Responsibility Statement

Pursuant to Section 134 of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of the Company confirm that:

- (a) in the preparation of the annual accounts for the Financial Year ended March 31, 2023, the applicable IND AS and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit and loss of the Company for the Financial Year ended March 31, 2023;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a 'going concern' basis;
- (e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively; and
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

## 30. Audit Committee

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process and ensure accurate and timely disclosures with the highest levels of transparency and integrity and quality of financial reporting.

The Committee met 6 (Six) times during the period under review. The details are given in the Corporate Governance Report that forms part of this Report.

As on March 31, 2023, the composition of the Audit Committee was as follows:

Sr. No.	Name	Category	Designation in Committee
1	Mr. Subhash Kutte	Independent Director	Chairman
2	Mr. Rishad Byramjee	Non-Executive Director	Member
3	Mr. Narayan Vasudeo Prabhutendulkar	Independent Director	Member

The recommendations of Audit Committee given from time to time were considered and accepted by the Board.

## 31. Contracts/Arrangement with Related Party

In line with the requirements of the Act, the Company has formulated a policy on Related Party Transactions, which describes the transactions requiring requisite approvals and requirements of appropriate reporting and disclosure of transactions between the Company and its related parties. The said policy has also been uploaded on the Company's website [www.centrum.co.in](http://www.centrum.co.in)

All Related Party Transactions that are entered into by the Company are placed before the Audit Committee for review and approval, as per requirements of Section 177 read with Section 188 of the Act and Regulation 23 of the Listing Regulations. In accordance with Section 188 of the Companies Act, 2013, all material related party transactions, and transactions not at arms' length are disclosed in Form AOC-2 provided in **Annexure F** to this Report.

### 32. Internal Financial Control and Adequacy

The Company has put in place adequate policies and procedures to ensure that the system of Internal Financial Control is commensurate with the size and nature of the Company's business.

These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding assets of the Company, prevention and detection of fraud, accuracy and completeness of accounting records and ensuring compliance with Company's policies.

### 33. Risk Management Policy

The Company has a Risk Management Policy in place, which identifies all material risks faced by the Company.

Due to volatility in the financial markets, the Company is exposed to various risks and uncertainties in the normal course of business. Since volatility can impact operations and financials, the focus on risk management continues to be high.

Centrum's risk management strategy has product neutrality, speed of execution, reliability of access and delivery of service at its core. Multiple services and diverse revenue streams, enable the Company to ensure continuity in offering customized solutions to suit client needs at all times.

### 34. Conservation of Energy, Technology Absorption and R & D Efforts and Foreign Exchange Earnings and Outgo

#### A. Conservation of Energy

The Company's operations call for nominal energy consumption cost and there were no major areas where conservation measures could be applied on. However, the Company is making continuous efforts to conserve energy and optimize energy consumption practicable by economizing the use of power.

#### B. Technology Absorption and R & D Efforts

The Company utilizes technology that not only adheres to Industry Standards but also seeks to provide a competitive advantage over competition. Accordingly, efforts are made to maintain and develop the quality of products / services to meet the expectations of the market.

#### C. Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo during the Financial Year under review was ₹30.54 Lakhs and ₹49.06 Lakhs respectively as compared to previous Financial Year, in which it was ₹126.45 Lakhs and ₹38.64 Lakhs respectively.

### 35. Subsidiaries, Joint Ventures and Associates

A separate statement containing salient features of the Financial Statements of all Subsidiaries and Associates of the Company forms part of the Consolidated Financial Statements in compliance with Section 129 and other applicable provisions, if any, of the Act.

There has been no material change in the nature of the business of the Subsidiaries and Associates.

Further, pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate Audited Financial Statements in respect of Subsidiaries and Associates, are available on the website of the Company [www.centrum.co.in](http://www.centrum.co.in)

The Company does not have any Joint Ventures.

#### A. During the Financial Year under review, following capital transactions were undertaken:

- i. The company has not infused any additional capital in the subsidiary or associates.
- ii. The Company has 16 Subsidiaries (including step-down Subsidiaries and 1 Associate Company as on March 31, 2023.
- iii. Further, a Report on the financial performance of each subsidiary and associate and salient features of the Financial Statements are provided in the prescribed Form AOC-1, annexed to this Report

#### B. Material Subsidiaries

During the Financial Year under review, the Company had the following Material Subsidiaries

as per the thresholds laid down under the Listing Regulations:

Pursuant to Regulation 16(1)(c) of the Listing Regulations following were considered as Material Subsidiaries during Financial Year 2022-23:

- 1) Centrum Retail Services Limited
- 2) Centrum Financial Services Limited
- 3) Centrum Housing Finance Limited
- 4) Centrum Microcredit Limited
- 5) Centrum Wealth Limited
- 6) Unity Small Finance Bank Limited
- 7) Centrum Broking Limited

Pursuant to Regulation 24 of the Listing Regulations following were considered as Material Subsidiaries during Financial Year 2022-23::

- 1) Centrum Retail Services Limited
- 2) Centrum Financial Services Limited
- 3) Centrum Housing Finance Limited
- 4) Centrum Wealth Limited
- 5) Unity Small Finance Bank Limited

The Board of Directors has approved a Policy for determining Material Subsidiaries, which is in line with the Listing Regulations as amended from time to time. The Policy has been uploaded on the Company's website [www.centrum.co.in](http://www.centrum.co.in).

### 36. Auditors and Auditors Report

The Members of the Company at the 43<sup>rd</sup> Annual General Meeting held on August 26, 2021, appointed M/s. Sharp & Tannan, Chartered Accountants (Firm Registration No.- 109982W) as the Statutory Auditors of the Company for a period of five years, to hold office from the conclusion of the 43<sup>rd</sup> Annual General Meeting to the conclusion of the 48<sup>th</sup> Annual General Meeting to be held in the year 2026.

The observations made by the Statutory Auditors on the Financial Statements of the Company, in their Report for the Financial Year ended March 31, 2023, read with the Explanatory Notes therein, are self-explanatory and, therefore, do not call for any further explanation or comments from the Board under

Section 134(3)(f) of the Act. There are no qualifications, reservations or adverse remarks made by M/s. Sharp & Tannan, Statutory Auditors, in their report for the Financial Year ended March 31, 2023.

Pursuant to provisions of Section 143(12) of the Act, the Statutory Auditors have not reported any incident of fraud during the year under review.

### 37. Secretarial Auditors

The Board had appointed Mr. Umesh P Maskeri, Company Secretary in practice, as Secretarial Auditor, to conduct the secretarial audit, for the Financial Year ended March 31, 2023. Pursuant to the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Report of the Secretarial Auditor is provided as **Annexure G** to this Report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report.

The Company has obtained an Annual Secretarial Compliance Report from Mr. Umesh P Maskeri, Company Secretary in practice and shall submit the same to the Stock Exchanges within the prescribed timelines.

As per the requirements of Listing Regulations, Practicing Company Secretaries of the material unlisted subsidiaries of the Company have undertaken secretarial audits of subsidiaries for FY23.

The Secretarial Audit Reports of the unlisted material subsidiaries viz. Centrum Broking Limited, Centrum Financial Services Limited, Centrum Retail Services Limited and Centrum Wealth Limited have been annexed to this Report.

### 38. Utilization of proceeds of Preferential Allotment

The Company did not raise any funds through any preferential allotment. However, members are requested to note that, the Company as per its business requirements from time to time raises funds through issuance of privately placed market linked debentures under Section 42 of the Act. The Company has not utilized these funds for purposes other than those stated in the Offer Letter.

### 39. Particulars of Employees and Remuneration

The information required pursuant to Section 197



read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of the employees of the Company is annexed herewith as **Annexure H**.

The details of employees' remuneration under Rule 5(2) & 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is provided in separate Annexure to this Report. In terms of the second proviso to Section 136(1) of the Act and the rules made thereunder, the Board's Report is being sent to the members without the aforesaid Annexure. Members interested in obtaining copy of the same may send an email to the Company Secretary and Compliance Officer at [secretarial@centrum.co.in](mailto:secretarial@centrum.co.in)

None of the employees listed in the said Annexure are related to any Director of the Company.

#### **40. Particulars of Loans, Guarantees and Investments**

Details of loans, guarantees and investments under the provisions of Section 134(3)(g) and 186(4) of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2023, are set out in Note 43 of the Standalone Financial Statements forming part of this Report.

#### **41. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company is committed to provide a healthy environment to all its employees and has zero tolerance for sexual harassment at workplace. In order to prohibit, prevent and redress complaints of sexual harassment, the Company has constituted an Internal Complaints Committee in line with the provision of Section 4(1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no complaints during the Financial Year 2022-23.

#### **42. Details as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**

Statement pursuant to Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Section 62(1) (b) of the Act, read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is available on the Company's website [www.centrum.co.in](http://www.centrum.co.in).

There were no instances of non-exercising of voting rights in respect to shares purchased directly by the employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debenture) Rules, 2014 and hence no information has been furnished.

#### **43. Corporate Social Responsibility (CSR)**

The Company had no CSR obligation during the year under review.

#### **44. Extract of Annual Return**

The Annual Return of the Company as on March 31, 2023, in Form MGT-7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, shall be available on the website of the Company at [www.centrum.co.in](http://www.centrum.co.in)

#### **45. Public Deposits**

During the year under review, the Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, (including any statutory modification(s) or re-enactment(s) for the time being in force).

#### **46. Significant and Material orders passed by the Regulators**

There are no significant material orders passed by the Regulators or Courts or Tribunals that impact the Company's going concern status and its future operations.

#### **47. Disclosure on compliance with Secretarial Standards**

The Company confirms that the Secretarial Standards issued by the Institute of Company Secretaries of India, were complied with.

#### **48. Whistle Blower Policy**

The Company has a Whistle Blower Policy to report genuine concerns or grievances and to provide adequate safeguards against victimization of persons who may use the mechanism. The Whistle Blower Policy encourages the employees and other parties to report unethical behaviour, malpractices,

wrongful conduct, fraud, violation of the Company's policies & values, violation of law by any employee of the Company without any fear of retaliation. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee in exceptional cases. There were no Whistle Blower Complaints received during the financial year 2022-23. The Whistle Blower Policy has been posted on Company's website i.e. [www.centrum.co.in](http://www.centrum.co.in)

#### 49. Reporting of Frauds

During the Financial Year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported any instances of fraud against the Company by its officers or employees as laid down under Section 143(12) of the Act and Rules framed thereunder.

#### 50. Investor Relations

The Company has an effective Investor Relations Program through which continuous interactions with the investment community are done using various communication channels viz. Individual Meetings, One-on-One interactions.

The Company ensures that critical information is made available to all its investors by uploading such information on the Company's website under the Investor Relations section.

The Company also intimates stock exchanges regarding upcoming events like declaration of quarterly & annual earnings with Financial Statements and other such matters having bearing on the share price of the Company.

#### 51. General

The Directors state that no disclosure or reporting is required in respect to the following items as there were no transactions pertaining to these items during the period under review.

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. There was no revision in financial statements.
3. Company has not issued any sweat equity shares.
4. The Company has not declared any dividend for the Financial Year 2015-16. Therefore, there was no unclaimed and unpaid dividend and hence disclosure pursuant to Section 124 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, was not required.
5. Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

#### 52. Human Resource and Employee Relationship

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

#### 53. Disclosures with respect to demat suspense account/ unclaimed suspense account

The Company has no shares lying in the demat suspense account or in the unclaimed suspense account.

#### 54. Web link

All the Policies including the following framed by the Company as per the Companies Act, 2013 and Listing Regulations are uploaded on the Company's website at [www.centrum.co.in](http://www.centrum.co.in).

- Nomination and Remuneration Policy
- Remuneration criteria for Non-Executive Directors
- Related Party Transaction Policy

- Familiarisation Programme for Independent Directors
- Policy on determining Material Subsidiaries

### 55. Cautionary Statement

Statements in the Directors' Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed. Important factors that could influence the Company's operations include global and domestic demand and supply conditions, changes in government regulations, tax laws, economic developments within the country and such other factors that may affect the markets/ industry in which the company operates.

### 56. Acknowledgement:

The Directors wish to convey their gratitude and place on record their appreciation for employees across levels for their hard work, solidarity, cooperation and dedication during the year.

The Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

**For and on Behalf of the Board of Directors**  
For **Centrum Capital Limited**

**Jaspal Singh Bindra**  
Executive Chairman  
DIN: 00128320

Place: Mumbai  
Date: May 19, 2023

# FORM AOC-1

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

## PART A - Statement containing salient features of the Financial statements of Subsidiary Companies

Sr. No	₹ (in Lakhs)													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Name of the subsidiary Company	Centrum Retail Services Limited	Centrum Broking Limited	Centrum Wealth Limited	Centrum Investment Advisors Limited	Centrum Financial Services Limited	Centrum Housing Finance Limited	Centrum Insurance Brokers Limited	Modulus Alternatives Investment Managers Limited	Centrum Capital Advisors Limited	Unity Small Finance Bank Limited	Ignis Capital Advisors Limited	Centrum Capital International Limited*	Centrum International Services Pre Limited	Centrum Alternatives LLP
Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	HKD	SGD	INR
Exchange Rate as on the last date of the relevant financial year in case of foreign subsidiaries	-	-	-	-	-	-	-	-	-	-	-	10.230857	58.41712	-
Paid up Equity Share Capital	3,554.65	1,929.07	2,000.00	211.30	9,895.69	26,686.64	1,040.00	51.00	100.00	70,490.20	1.00	531.39	1,310.79	-
Paid up Preference Share Capital	-	250.00	-	-	-	-	-	-	-	-	-	-	-	-
Partner's Capital Account	-	-	-	-	-	-	-	-	-	-	-	-	-	875.67
Partner's Current Account	-	-	-	-	-	-	-	-	-	-	-	-	-	(831.07)
Reserves & surplus	31,417.45	1,287.95	4,260.04	456.60	19,762.89	16,459.44	(13.64)	(1,075.86)	(12.83)	1,00,411.42	(0.51)	(166.26)	(1,103.43)	-
Total Assets	1,07,775.98	15,133.15	12,434.04	808.41	49,961.21	1,21,974.78	1,116.42	193.92	2,348.28	9,23,840.30	593.70	371.36	382.12	65.08
Total Liabilities	1,07,775.98	15,133.15	12,434.04	808.41	49,961.21	1,21,974.78	1,116.42	193.92	2,348.28	9,23,840.30	593.70	371.36	382.12	65.08
Investments	5,290.88	-	4,119.55	-	47,090	542.78	-	-	2,259.47	2,46,223.16	-	169.58	-	-
Turnover	19,144.36	6,527.31	18,885.86	2,122.14	-	9,270.09	290.21	609.52	361.56	78,526.02	304.00	5.74	491.57	-
Other Income	286.64	488.34	176.66	13.67	779.14	206.04	118.66	3.51	2.27	3,065.48	0.73	-	-	0.74
Profit/ (Loss) before Taxation	4,601.76	(358.94)	6,112.23	26.84	(100.20)	1,236.48	9.56	(40.62)	26.56	(11,453.33)	4.35	(68.61)	(83.80)	(11.60)
Provision for taxation	7.72	32.27	1,516.61	(4.83)	-	43.48	8.28	-	(0.25)	(630.36)	6.80	-	-	-
Profit/ (Loss) after Taxation	4,594.04	(391.21)	4,595.62	31.67	(100.20)	1,193.00	1.28	(40.62)	26.81	(10,822.97)	(2.45)	(68.61)	(83.80)	(11.60)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of Shareholding (Note 1)	100%	51.01%	58.28%	100%	100%	56.39%	100%	100%	100%	51%	100%	100%	86.56%	100%

\* Consolidated Financial Results

CCIL Investment Management Limited is a subsidiary of Centrum Capital International Limited

Note 1 %age of shareholding is of Immediate Holding Company

**For and on Behalf of the Board of Directors**  
**For Centrum Capital Limited**

**Jaspal Singh Bindra**  
Executive Chairman  
DIN: 00128320

Place: Mumbai  
Date : May 19, 2023

Annexure A

**FORM AOC-1** (Contd.)

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

<b>Name of Associates</b>	<b>Acorn Fund Consultants Private Limited</b>
1. Latest audited Balance Sheet Date	31.03.2023
2. Shares of Associate/Joint Ventures held by the company on the year end	Associate
No of Shares	7,39,900
Amount of Investment in Associates/Joint Venture	0.00001
*Extend of Holding %	49.00%
3. Description of how there is significant influence	Significant influence is by way of shareholding in the company.
4. Reason why the associate/joint venture is not consolidated	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	(45.32)
6. Profit / (Loss) for the year	40.00
i. Considered in Consolidation	0
ii. Not Considered in Consolidation	40.00

\*%age of Interest is of Centrum Retail Services Limited, subsidiary of the Company.

For and on Behalf of the Board of Directors  
For **Centrum Capital Limited****Jaspal Singh Bindra**  
Executive Chairman  
DIN: 00128320Place : Mumbai  
Date : May 19, 2023

# Management Discussion and Analysis

## Global Economic Overview

The global economy faced headwinds in FY 2023 due to weak demand. Commodity prices declined gradually; however, they are still higher than their five-year average. Inflationary pressures are expected to persist, whereas currency depreciation and capital outflows from emerging markets and developing economies have been widespread. The outlook for global trade remains uncertain due to downside risks pertaining to intense trade protectionism and supply chain disruptions. Inflation continued to rise throughout CY2023 in most economies. The sanctions and hawkish monetary policies that

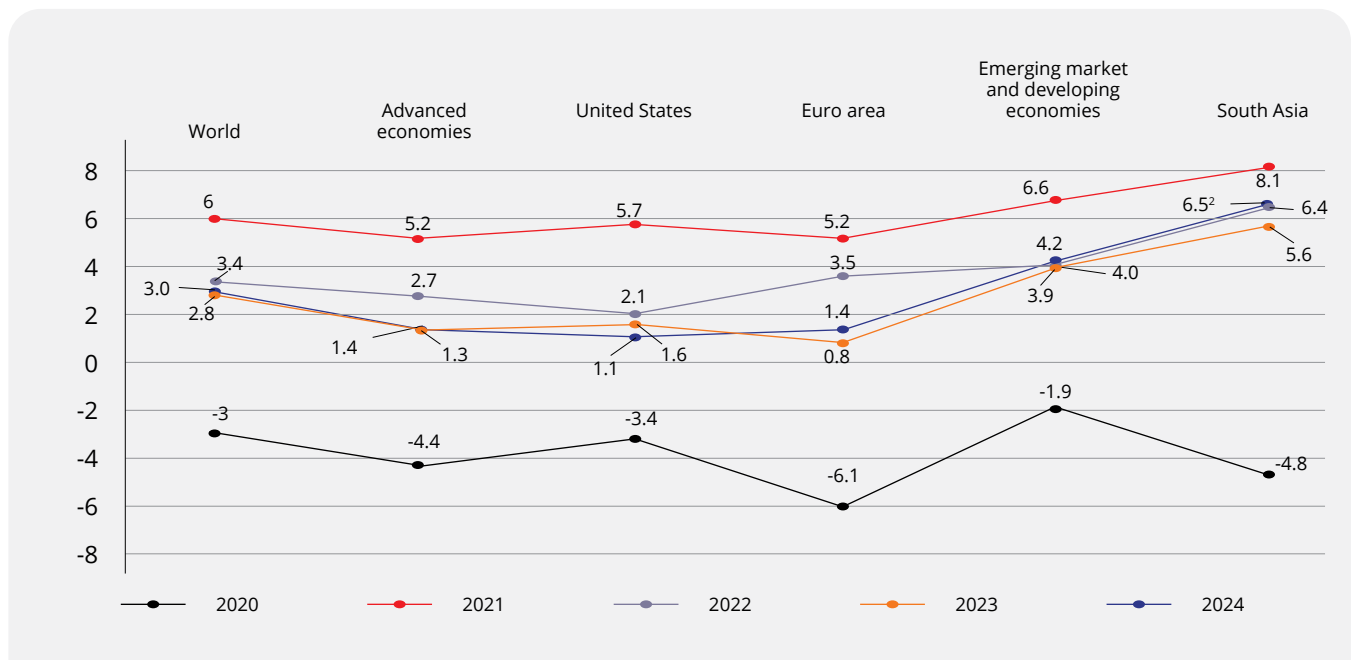
followed the Ukraine war had a significant impact on global trade.

In FY 2024, global GDP growth is anticipated to be 3.0%. Additionally, after reaching its peak in FY2023, global inflation is expected to decline to 4.3% in the days ahead, banking on stable policies and favourable regulatory guidelines.<sup>1</sup>

## Indian Economic Overview

The Indian economy proved to be one of the fastest growing in FY2023, supported by strong domestic demand. Despite a challenging external environment, exports performed better than expected, due to India's vast domestic market

and limited reliance on international trade flows. According to the National Statistical Office, India's Gross Domestic Product (GDP) is projected to see robust growth of 7% during the fiscal year 2022-23.<sup>3</sup> India's economic ranking has also improved significantly, with the current-account deficit being financed by increasing foreign direct investment and a solid cushion of foreign exchange reserves. Although consumer inflation was above the Reserve Bank's upper limit, which prompted a 2.25 percentage point increase in the policy rate, India's growth story was propelled by rising retail demand after the pandemic and new investments in areas such as automobiles, electronics, mining and the aviation industries.



<sup>1</sup> <https://www.imf.org/en/Publications/WEO/Issues/2022/10/11/world-economic-outlook-october-2022>

<sup>2</sup> [https://www.imf.org/external/datamapper/NGDP\\_RPCH@WEO/OEMDC/ADVEC/WEO/WORLD/USA/IND/EURO/SAQ](https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEO/WORLD/USA/IND/EURO/SAQ)

<sup>3</sup> <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1889192#:~:text=The%20growth%20in%20real%20GDP,per%20cent%20in%202021%2D22>

With the broadening of the investor base for government securities, constructive policy changes and the introduction of cautious rules such as the new Insolvency and Bankruptcy Code and the creation of the new National Reconstruction Company Limited for controlling inflation levels have augured well for the Indian economy. However, geopolitical tensions, tight monetary policies and slow global growth are expected to have an impact on India's economic growth in FY2024. However, India will continue to be one of the fastest developing countries in FY2024 due to its strong domestic demand, robust macroeconomic forces and limited reliance on the global market. India's GDP is also predicted to grow by a steady 6.6%<sup>4</sup>, making it one of the world's fastest-growing countries.

## Company Overview

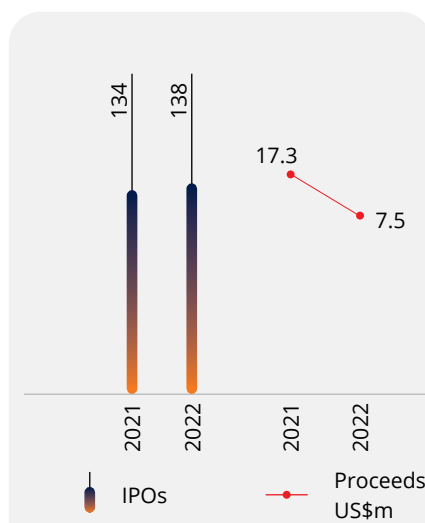
Founded in 1997, Centrum is a well-respected financial services group with diversified fee businesses, a growing lending platform and a Small Finance Bank. The Group caters to institutions and individual clients and has a pan-India presence. Institutional services include Investment Banking and an Institutional Broking Desk catering to FIIs, pension funds, Indian mutual funds, domestic institutions and HNIs. Centrum provides Comprehensive Wealth Management services to HNIs and family offices, along with affordable Housing Finance in Tier II and Tier III cities. The Alternative Investment Management business manages funds across private debt and venture capital. Unity Bank's (Small Finance Bank) is a new-age, digital-first bank that offers a variety of banking services through its Branch network and mobile app.

## Fee Businesses

### INVESTMENT BANKING

#### Industry Overview

The global investment banking industry witnessed a significant decline in CY2022, partly on account of increased market volatility and unfavourable market conditions. IPO volumes dropped by 45% and proceeds fell by 61% year on year. In line with the general trend, India's IPO market saw a 50% decline in IPO-related activity. But, on the bright side, the number of deals increased by 3%. An increase in PE and VC investments since October 2022 suggests robust market activity in the upcoming year. India's market capitalisation stands at ₹ 28,079,394.95 crore at the end of CY2022.<sup>5</sup> Please add a few lines on Infrastructure Financing as well.



#### Business Overview

Centrum's Investment Banking team caters to every funding phase of a corporate's lifecycle. The range of specialist services covers Equity

Capital Markets, Corporate Finance (Private Equity and M&A) and Debt Capital Markets, with dedicated teams for key sectors. As a category I Merchant Banker, core services include IPOs, Qualified Institutional Placements (QIPs), Delisting, Rights Issuance, Open Offers, Buybacks and so on. Additionally, the business offers private placement of equity, mezzanine debt, mergers and acquisitions and advisory services on restructuring. The vertical also handles debt syndication for all types of loans, stressed asset solutions, securitisation and capital market instruments. The Infrastructure Advisory Group is focused on Transaction Advisory and Corporate finance deals in the areas of renewable and conventional energy, roads, railways, ports, urban infrastructure, airports, utilities, mobility and logistics.

#### Highlights FY2023

India's pick-up in the capex cycle post the pandemic provided an enhanced impetus to the business, with its team working with several corporates, assisting them in their capital raise requirements, business advisory and financial management.

#### Equity Capital Markets and Corporate Finance

During the year, the Equity Capital Markets (ECM) and Corporate Finance teams worked on multiple transactions with marquee clients, many of which are ongoing:

#### Book Running Lead Manager (Left Lead)

- Proposed IPO of JG Chemicals Limited (DRHP filed)
- Proposed IPO of a Mumbai-based real estate development company

<sup>4</sup> <https://openknowledge.worldbank.org/bitstream/handle/10986/38030/GEP-January-2023.pdf>

<sup>5</sup> <https://www.bseindia.com/markets/equity/EQReports/allindiamktcap.aspx>

## Lead Manager

- Rights issue of Goa Carbon Limited (DLOF filed)

## Advisory (Sole Advisor)

- To a secondary stake sale of shares of SBI General Insurance
- To a restaurant chain in their fund-raising plans
- To an apparel contract manufacturing company in their fund-raising plans
- To a leading player in the cybersecurity space in their fund-raising plans
- To a leading internet service provider in their fund-raising plans
- To a secondary stake sale of shares of a digital platform and a market leader in the MSME lending space
- To a secondary stake sale of shares of India's leading merchant platform, offering financing and retail transaction technology

## Infrastructure Advisory

The Infrastructure Advisory team continues to collaborate with leading developers in the Roads and Ports sectors, apart from covering the Clean Tech and Renewables sectors. The deal pipeline for the Advisory is robust, with interest from long-term investors focused on the Infrastructure sector.

## Debt Capital Markets

With the fast-paced recovery of economic activity in India in FY2023, the Corporate sector was on the front foot to plan growth and expansion. Many stressed borrowers were also encouraged to seek solutions and resolutions to their problems. The interest rates showed an upward trajectory, moving up by 150-200 bps across the board, in line with the

RBI's objective to tame inflation. This, however, did not deter the demand for credit for growth, refinancing or special situations.

The Debt Capital Markets (DCM) team worked closely with the Private and PSU banks, NBFCs, AIFs and Credit funds to close several mandates in restructuring, growth financing, refinancing and special situations. Key transactions include:

- Arogram Hospital Trust (Project Loan – ₹ 100 crore)
- Tasty Dairy Ltd. (Restructuring – ₹ 100 crore)
- Apollo International Ltd. (Working Capital – ₹ 100 crore)
- OPG Power Generation Ltd. (Refinancing – ₹ 75 crore)
- Arunachal Pradesh Power Corporation Ltd. (Working Capital – ₹ 60 crore)
- Hotel Tiptop International Ltd. (Restructuring – ₹ 60 crore)

The deal pipeline that has crossed over to FY23-24 is robust, with several transactions in the areas of restructuring, refinance, project finance and special situations under execution.

## Outlook

The business aspires to be a credible and sought-after mid-market investment bank, offering customised financial solutions. It aims to prioritise the larger mid- and large-cap sectors and develop internal synergies within the Group. With an improvement in the economic environment and a revival of investor interest, the team expects to serve a wider clientele with higher volumes of business. Each of the verticals has a strong deal pipeline in place and expects to close several transactions in FY2024.

## WEALTH

### Industry Overview

The wealth management industry in India is poised for significant growth in the coming years due to an anticipated increase in the HNI population of 80% by 2031. This makes India one of the fastest-growing wealth management markets in the world. India also ranked 6<sup>th</sup> globally in terms of the growth of UHNIs who are self-made and aged below 40 years.<sup>6</sup>

The Indian wealth management industry has also been invigorated by the growth of start-ups and unicorns in the country. India currently has the third-largest start-up ecosystem in the world, with about 60,000 start-ups and 81 unicorns, with a total valuation crossing USD 274 billion.

India's wealth is estimated to cross the USD 5 trillion mark over the next five years, at a CAGR of 27%. The Indian wealth creation story is particularly inspiring, as 67% of the wealth creators list is self-made, up from 54% five years ago and 79% of the new faces this year are self-made as well.

### Business Overview

Centrum Wealth Limited (CWL) offers Distribution and Family Office services on a platform that spans the investible universe and includes asset classes such as equity, fixed income, real estate and alternatives. The core client segments for the firm are high and ultra-high-net-worth individuals, family offices and corporate treasuries.

The business is driven by the core values of integrity, transparency, empathy, resourcefulness, perseverance and a deep sense of responsibility. The proposition remains a client-first, goals-led, integrated offering with robust wealth and in-house asset management capabilities and one that

<sup>6</sup> <https://www.hurun.net/en-US/Info/Detail?num=HBSMMCYBHABX>



is committed to providing a richer, digitally enhanced client experience.

The roughly 230-member strong team operates from 17 locations, with the most recent addition being Kanpur (U.P.).

### Highlights FY2023

In spite of a challenging year, Centrum Wealth remained steadfast on its course towards building a larger trailblazing book. The contribution from transactional revenue was also positive and supported the overall financial performance of the Company. Operating parameters, productivity benchmarks and revenue numbers set at the beginning of the year were in line with expectations. The revenue mix remained broad-based, with balanced contributions from the distribution of mutual funds, third-party products, fixed-income instruments and insurance. The spread of revenue also extends across geographies, with a balanced contribution seen across regions. The equity-focused in-house asset management offerings stood out in terms of a larger revenue contribution to the overall mix.

The 'Centrum Wealth Tech 2.0' initiative (A comprehensive Digital and Technology road map) took a great leap forward during the year under review with Salesforce™ Customer Relationship Management (CRM) implementation. This CRM solution offers a number of benefits for managing client relationships with greater efficiency and providing a consolidated view of financial and non-financial information on client relationships. Additionally, the business is now able to have an integrated view of all client communication across email, meetings and WhatsApp business platforms. There is functionality to automate client communication and the ability to run centralised campaigns on product launches, market views and

brand communication. Further, richer relationship mining insights, such as tracking upcoming maturities or large redemptions, are provided in real time.

'Client-first' is a mantra often spoken about in Centrum Wealth commentaries. A scientific approach was adopted to measure client satisfaction in the year gone by. The measurement of this parameter was done using an institutionalised assessment platform, the Net Promoter Score (NPS). The firm engaged the services of an independent and industry-leading third-party service provider to conduct client surveys. The findings revealed that Centrum Wealth had a high NPS score, implying that the business is in the top tier for such surveys for wealth-oriented financial services firms.

The success of the Wealth business remains centred on the prudent management of human capital. Centrum Wealth participated in 'The Great Place to Work® Trust Index© employee survey' and has been successfully certified as a Great Place to Work for the second year in a row.

### Outlook

The Indian Wealth market may be categorised into three broad categories based on parentage and regulatory licensing. Thus, one can identify Foreign Players, Bank-based Wealth providers and Independent Indian Wealth houses. The Indian Independent Wealth segment manages about 78% of advised wealth in the country as per industry reports. The higher market share appears to be driven by factors intrinsic to this category.

In this context, the sourcing mix (channelstoacquire)andclientsegment (constitution of client) equation that the firm has in place focuses on the 'Wealth Creators', which include business owners, entrepreneurs, CXOs and independently wealthy individuals. The business has ambitious growth

plans and seeks to fulfil aspirations by focusing on building human capital, keeping the product offering relevant and broad-based, bolstering the digital backbone and above all, conducting business on tenets that remain true to the tagline '#Weforyou'.

## STOCK BROKING

### Industry Overview

The stock broking industry has witnessed challenges during recent months, including a fall in profitability due to geopolitical concerns and an adverse macroeconomic outlook, as well as a decline in transaction volumes in the high-yielding cash broking segment. Despite these challenges, the domestic capital markets have performed well over the past two fiscal years, with strong participation from retail investors and domestic institutions.

Retail participation in the market has been a significant driver of revenue growth for broking companies, particularly from tier 2 and 3 cities and younger demographics. The total number of demat accounts has also seen significant growth, reaching 98 million as of July 2022.

However, market sentiments have been impacted by the escalation of geopolitical tensions, supply chain disruptions, weak listing gains in IPOs and elevated crude oil prices. Despite these challenges, some signs of easing in the macroeconomic headwinds have been observed in recent months.

The industry is expected to generate gross operating income of ₹ 37,700-38,700 crore in FY2023, representing a growth of 3-6% compared to a growth of about 33% in FY2022. While the expansion of the Margin Trading Facility (MTF) has supported the growth of other related income streams, core broking revenues are expected to make up a larger part of the revenue mix at 60-70% of

gross operating income. Despite the challenges, overall retail participation and transaction volumes are expected to remain healthy compared to pre-pandemic levels.

## Institutional Equities

### Business Overview

The Institutional Equities business at Centrum Broking Limited offers Broking Services in secondary markets, including IPOs and QIPs, catering to domestic and international institutional investors. The client profile comprises domestic mutual funds, insurance companies, foreign portfolio investors and private equity players. A focused research team and a strong sales and dealing team help offer value-added services. Over the years, the team has put out multi-bagger stock ideas on a regular basis. It uses a differentiated research process for large, mid, and small cap companies and offers detailed coverage on both established as well as under-researched, undervalued and under-owned scrips.

### Highlights FY2023

The first half of the financial year witnessed a steep surge in inflation rates worldwide. The US saw a 40-year high inflation rate crossing 8%, which caused a ripple effect on growth worldwide. During the second half of the year, as the lockdown restrictions eased and people returned to offices, the business stepped up its outreach to corporates and investors in India and abroad. However, market participation from retail investors remained low as people resumed working from offices. In spite of frequent rate hikes by the US Federal Reserve along with quantitative tightening, inflation remained high.

Indian markets profited, owing to heavy FII selling. This turmoil impacted the business, leading to a decline of nearly 15% in volumes, but the

Company continued to gain market share, driven by greater customer outreach. The business continues to grow the number of stocks and sectors under its coverage to offer a balanced mix of scrips to clients. It strengthened its Research and Sales teams and increased investments to enhance its backend technology. Its international outreach to clients in Southeast Asia, the USA, the UK and Europe also gained significant traction.

During the year, it hosted seven virtual investor conferences. **'Orion - One India, Many Paths to Prosperity,' the flagship conference,** showcased companies with strong fundamentals and a sound growth potential. Sector-focused conferences on sugar and bio-energy, auto, metals and mining discussed challenges and opportunities. Additionally, several Dealer Conferences helped investors assess on-ground insights and demand recovery post-pandemic. All conferences saw healthy participation from corporates, investors and trade bodies.

### Outlook

With inflation easing, the business expects increased momentum in both its domestic and international outreach and empanelment. It plans on hiring additional senior research analysts to further increase its sectoral coverage and widen its product suite. Backed by the favourable responses received for its earlier investor conferences, it plans to further strengthen its investor and corporate relationships by hosting additional thematic conferences.

## Retail Broking

### Business Overview

Centrum Broking's Retail division provides holistic solutions across equity broking, portfolio management and depository services to high-

net-worth (HNW) individuals and corporates. Products include Equities, Derivatives, Currencies, Mutual Funds and Primary market offers. It offers depository services, being registered as a Depository Participant with Central Depository Services Limited (CDSL) and is a trading member with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Technical and Derivatives Desk provides short-term as well as positional ideas, which are best suited for high-net-worth (HNW) individual traders. The business is primarily focused on servicing customers acquired through the Group's Wealth business franchise, Centrum Wealth Limited (CWL). In addition, the Company offers a franchisee model to individuals and corporates across the country with good experience and a track record of running a successful business in financial services.

### Highlights FY2023

FY 2023 saw regulatory changes in the broking business, with clients' securities and cash segregated on a daily basis. The business incorporated the changes in the back office and risk management processes to be in tandem with regulatory demands well ahead of the regulatory schedule. The lower leverage after the introduction of peak margin has seen the turnover shift to the options segment at the cost of a market-wide dip in cash and futures volume.

The business offers a full-service model with experienced dealers to service high-net-worth clients acquired through the group's private banking franchise, Centrum Wealth Limited (CWL). The dealer servicing model was very well augmented by the technical and derivatives desks, which provided short-term trading ideas and delivered a good performance, beating market benchmarks. It ensured client stickiness at full price in the face of severe competition from discount brokerages.

The team launched an improved version of its mobile trading app, Centrum Wave version 2.0, which was well received by HNI customers. In the past year, over 40% of active customers used the mobile app for transactions.

The technology team was strengthened with senior hires to grow its digital offering to customers. It also launched GalaxC Innovate - Broking as a Service (BaaS) offering for fintech partners with open APIs to launch their own front-end solutions powered by the Centrum Broking solution as its backbone.

The technology initiatives of paperless customer onboarding have enabled the business to onboard customers within minutes. The same will ensure smooth onboarding of customers through the three-in-one platform with Unity Bank, the Group's banking venture.

#### Outlook

The digital offering to retail customers of Unity Bank and tie-ups with fintech partners under the Company's BaaS offering are transformational initiatives that should see robust growth in the year ahead.

## ALTERNATIVE INVESTMENT MANAGEMENT

### Industry Overview

In recent years, the alternative investment fund (AIF) market has become increasingly popular among HNIs. AIFs provide investors with access to non-traditional investment options, such as start-ups. This has contributed to a sevenfold increase in demand for AIFs during the last five years.

The Indian Government is also reducing the tax burden on foreign investors to encourage investment in AIFs. The proposed investment

framework entails measures such as offering 'zero-rated or export status' to India-based AIFs with international investors. It is anticipated that these steps will make AIFs a more promising investment alternative, not only for domestic investors, but also for foreign investors seeking to invest in India's expanding economy. With enhanced government impetus, the AIF industry is poised for sustained growth and might become a significant contributor to the nation's economic development in the years ahead.

### Business Overview

An India-centric, multi-asset alternative investment group focused on private credit and venture capital, its solution-oriented approach to investing is centred on providing companies with the right capital structure, backed by in-depth knowledge of industries and strategic value creation.

### Highlights FY2023

Centrum's private credit business was rebranded Modulus Alternatives. Its maiden fund, Centrum Credit Opportunities fund, manages private credit investments for Indian corporates. It would also be launching its second fund with a similar strategy after regulatory approvals. During the year, the Private Credit Fund made three new investments across the Fertilisers, Power and Pharmaceutical sectors while successfully exiting one of its earlier investments. Since inception, the private credit business has made 15 investments, aggregating to a total invested capital of ₹ 1,740 crore. The portfolio continues to perform well.

The business divested majority control of Kalpavriksh, its venture capital fund, to Prowess Advisors, promoted by veteran banker and private equity professional, Mr. Rajesh K. Srivastava. Centrum Group will continue as a

significant minority shareholder and co-sponsor of the fund. This transaction will enhance the value of portfolio management and exit the fund's portfolio. Additionally, the business received registration from SEBI for a new Category II fund for venture debt under the name 'Ignis'.

### Outlook

Given the sustained economic growth and opening up of the private sector capex cycle, the business is expected to witness sustained growth. It also plans to achieve the first close of its new venture debt fund, Ignis, during FY2024 and will look to introduce new AIFs in select areas with significant untapped potential.



**₹ 7 lakh crore**

**AIF fund managers raised over ₹ 7 lakh crore in 2022, compared to less than ₹ 4.5 lakh crore two years ago.<sup>7</sup>**

## AFFORDABLE HOUSING FINANCE

### Industry Overview

The Indian affordable housing market is expected to see significant growth in the coming year due to government initiatives such as the Special Window for Completion of Construction of Affordable and Mid-Income Housing Projects (SWAMIH), which helps fund stalled affordable housing projects. This is likely to encourage developers in the affordable housing segment. Additionally, affordable housing finance is expected to grow at the fastest rate, with mortgage penetration projected to reach 8-10% over the next few years.

<sup>7</sup> <https://www.businesstoday.in/mutual-funds/story/aifs-can-grow-4-5x-to-become-as-big-as-mutual-funds-industry-say-fund-managers-371121-2023-02-22>

The Government has also allocated over ₹ 48,000 crore for affordable housing through the Pradhan Mantri Awas Yojana (PMAY). Furthermore, the Government has facilitated quicker urban housing approvals to handle the rapid influx of the country's urban population.

As the population continues to grow, it is projected that an additional 25 million units of affordable housing will be required by 2030. To meet this demand, co-lending is expected to play a significant role in making affordable housing a reality in India. The use of advanced technology is anticipated to favour development with the easy flow of credit to previously underserved or unserved areas of the economy.

### Business Overview

Centrum Housing Finance Limited is a professionally managed housing finance company. It provides financial inclusion to low- and middle-income (LMI) families in Tier II and III cities by making hassle-free long-term housing finance accessible to them. The business offers Home Loans, Self-Construction Loans, Top-Up Loans and Loans against Property to cater to specific needs using a combination of traditional methods and superior technology. The business has built its operations on a hub-and-spoke model to penetrate deeper into its target markets.

### Highlights FY2023

The business refocused itself post-pandemic, recorded significant growth in business and expanded its geographic presence during the year. Its AUM grew by nearly 100% y-o-y and crossed the ₹ 1,000 crore milestone. As of March 31, 2023, the AUM stood at approximately ₹ 1,150 crore, with over ₹ 400 crore disbursed as fresh loans.

To aid its organic growth, the business also pursued an inorganic opportunity and acquired the business of South India-based National Trust Housing Finance Limited (NATRUST). NATRUST brought a loan book of over ₹ 300 crore and a team of 150 members, all of whom have successfully integrated into Centrum Housing's business. Moreover, the acquisition expanded the Company's presence in new geographies and it now operates from over 90 locations across 12 states, making it a national player.

During the year, the business also diversified its resource base and now borrows capital from over 20 financial institutions. It also signed a co-lending agreement with Axis Bank for Non-housing Loans, which should soon be extended for housing loans as well.

### Outlook

With a widespread geographic presence, a competent team and continued focus by the Government to promote affordable housing, the business expects to grow its AUM significantly in the coming year. Additionally, it will also look at opportunities for inorganic growth to scale up operations quickly.

## BANKING

### Industry Overview

The Indian banking sector delivered strong results in the first half of the fiscal year 2023, driven by a significant acceleration in credit growth and a decrease in bad loans. This trend is expected to continue in the third quarter due to the strong credit demand. The banking system is poised to support the rapidly growing Indian economy in the medium term, with cleaner balance sheets, stronger capital ratios and largely resolved

legacy bad loan issues. Credit growth is expected to be robust in the fourth quarter, leading to an estimated full-year growth of 13-15%. The incremental credit growth in FY2023 is expected to reach an all-time high of ₹ 18.0-19.0 trillion, significantly higher than the previous high of ₹ 11.4 trillion in FY2019<sup>8</sup>. The growth momentum is expected to remain strong in FY2024 as well, though rising interest rates and tight liquidity conditions may moderate growth.

Technology has been a major factor in the lending business, with various technological advancements such as APIs, cloud hosting, AI/ML/RPA and analytics greatly improving the delivery and servicing of lending products to customers. Lenders have been investing heavily in these technologies, while loan origination and management system players have been enhancing their capabilities. With the widespread availability of smartphones and low-cost internet access, reaching a larger audience has become easier. New-age lenders are focused on using technology and advanced data algorithms to improve loan sanctioning and disbursements, thereby reaching unbanked customers.

While there may be some challenges, the Indian banking sector is well positioned for sustainable growth and success in the medium-term.

### Business Overview

Unity Small Finance Bank Limited (Unity) commenced operations in November 2021 with a business model of collaboration and open architecture, uniting all its stakeholders to deliver a seamless digital banking experience. Unity's vision is to make Banking available at customers' fingertips using the latest technology. It offers

<sup>8</sup> <https://www.icra.in/Media/OpenMedia?Key=8ffc5743-74a6-4cbf-87b0-cbb45478b713#:~:text=As%20of%20November%2018%2C%202022,high%20YoY%20growth%20of%2017.6%25>

a variety of banking services through its Branch and office network. As of March 31, 2023, it has a network of 123 branches across India.

### Highlights FY2023

FY2023, the first full year of operations for Unity Bank, saw a considerable amount of time spent strengthening the foundation and growing operations across business verticals. The Bank has built a healthy loan book and deposit base by offering attractive rates of interest along with an expanding geographic presence.

During the year, the Bank revamped and upgraded several of its branches to become more digitally led, modern in layout and more customer-centric. It upgraded its Core Banking System (CBS) with a state-of-the-art digital platform, M2P Fintech's Turing CBS. The previous CBS encompassed 111 established branches and over 1.5 million customers, all of whom were migrated within 88 days.

Additionally, Unity Bank achieved the status of a Scheduled Bank and was included in the Second Schedule of the Reserve Bank of India Act. This unlocks numerous benefits in the form of membership to clearing houses and access to funds from the RBI and government institutions. It also received its RTGS/NEFT memberships and worked towards making the services live for customers in a relatively short time duration.

Besides steady growth in business operations, Unity Bank also invested substantially in strengthening its talent pool and hired staff across levels. It also maintained a close check on risk management and internal controls to ensure sufficient safeguards in case of any internal or external adversity.

Centrum Microcredit Limited, the group's micro finance business was merged with Unity Bank for better synergies and achieving scale. An

application for the amalgamation of Centrum Capital Limited and Centrum Microcredit Limited was filed with the Hon'ble National Company Law Tribunal on April 13, 2022. Pursuant to transfer of business undertaking to Unity Small Finance Bank Limited and surrender of NBFC-MFI RBI License, there was no business operations in Centrum Microcredit Limited and thus the amalgamation was considered to be strategically beneficial. The Amalgamation order was pronounced on March 30, 2023 and the Scheme of amalgamation is effective from April 01, 2022.

### Outlook

Unity Bank's Banking App will be rolled out pan-India with significant marketing efforts, which will help in increasing market share and acquiring customers across business segments. The Bank has devised a five-year plan to reach out to over 10 million customers, using the mobile app as the primary channel. Additionally, new branches will be rolled out in existing as well as new geographies, which is expected to further drive business growth and strengthen visibility. The Bank is confident that it has made the right investments in FY2023 towards strengthening technology, building brand awareness and creating a customer-friendly banking app, all of which will help further scale operations in FY2024. This, along with its chosen business segments and the leadership and management team's commitment, makes Unity Bank poised for sustained growth in the years ahead.

### Human Resources

#### Highlights FY2023

The Human Resource function continued its efforts towards making Centrum an employer of choice. Several policies were implemented to ensure a favourable work-life balance

for employees, wellness sessions were conducted to aid in coping with mental health and other related issues, and numerous training sessions were organised to enhance productivity. Advanced certification courses were also arranged with the aim of developing a learning organisation, boosting employee development, improving employee performance, and positively impacting business outcomes.

A significant achievement was the successful integration of approximately 150 employees from National Trust Housing Finance into the Centrum ecosystem. The entire acquisition and merger process was handled effectively to ensure a seamless transition for both the business and its personnel.

The team also made substantial investments in hiring talented individuals from peer organisations and freshers across various businesses and functions.

For the second consecutive year, the Wealth Management business was recognised as a 'Great Place to Work' by the esteemed and highly acclaimed Great Place to Work® Institute, with high ratings across all parameters.

As of March 31, 2023, the total number of employees in Centrum Capital Limited was 43, whereas across Group companies, including Unity Bank, the team size is over 5,000.

### ESG Approach

ESG (Environmental, Social, and Governance) guidelines have become increasingly important for companies to consider in their operations and decision-making. As a responsible corporate citizen, the Centrum Group is committed to incorporating robust ESG practices as part of its regular operations.

The Group is committed to reducing its carbon footprint, implementing sustainable practices, and preserving natural resources. On a social front, the group is promoting diversity and inclusion, respecting human rights, and engaging with local communities. As part of its Governance approach, the group ensures transparency, accountability, and ethical behaviour throughout the organisation.

It is important to emphasise the Company's efforts to integrate ESG considerations into its overall strategy and decision-making processes. This includes setting specific goals and targets, regularly monitoring and reporting on progress, and engaging with stakeholders to gather feedback and improve performance. By prioritising ESG considerations, the group believes it can not only enhance its reputation and stakeholder relationships, but also contribute to a more sustainable and equitable future for all.

## Opportunities and Challenges

### Opportunities

The Banking, Financial Services and Insurance (BFSI) sector is expected to grow significantly in the coming years, with government initiatives such as Digital India, the Unified Payments Interface (UPI), globalisation and a push towards a cashless economy acting as driving factors.

The digital lending market is expected to be a major growth driver, with a projected book size of USD 515 billion by 2030. The adoption of digital payment modes and mobile apps in rural areas is creating opportunities for digital banking and new business avenues. The simplification of banking procedures through digitisation is further increasing the reach of the banking sector.

The banking sector's improved appetite and rising demand from bond investors are expected to be conducive factors for financing in the next fiscal year. With the growth of India's high-net-worth and ultra-high-net-worth population, the potential for the growth of the wealth management industry continues to be higher than ever.

India's high-net-worth individual (HNI) population is expected to grow by 75% from 3.5 lakhs in 2020 to 6.11 lakhs in 2025.

The number of ultra high-net-worth individuals (UHNIs) is expected to increase by 39% from 13,637 in 2021 to 19,006 in 2026.

Consumer sentiment is expected to see an uptick in 2023 and the Indian stock market is anticipated to report stellar performance in key areas including banking, automobiles, real estate and other stocks with strong fundamentals. Supported by a young and large working population with disposable incomes and growing business confidence, investment opportunities seem to diversify with every passing year. Housing and banking are likely to be crucial sectors in 2023 due to their improved economic outlook and pick-up in credit growth. Government initiatives such as the Pradhan Mantri Awas Yojana (PMAY) and a push for affordable housing in the Budget 2023 are also expected to improve sentiments.

### Challenges

Rapid advancements in technology, such as fintech innovations, blockchain, artificial intelligence, and automation, are transforming the BFSI landscape. Financial institutions need to adapt to these changes to stay relevant and competitive. However, adopting new technologies may also pose challenges such as managing

data privacy, cybersecurity risks, regulatory compliance, and workforce reskilling.

Customer expectations too are changing rapidly, with increasing demand for personalised, convenient, and digital financial services. Financial institutions need to adapt to these changing customer preferences and offer seamless, user-friendly experiences across various channels. Additionally, changing demographics, such as a younger and more digitally savvy customer base, may pose challenges for traditional financial institutions to cater to their unique needs.

## Risk Management

At Centrum, an effective risk management policy lies at the core of its business philosophy, which is centred on delivering better risk adjusted returns to its stakeholders. With ups and downs, volatility and fluctuations in the financial business in which the Company operates, Centrum is exposed to various risks and uncertainties in the normal course of business. Since such variations can cause deviations in the results of operations and affect the Group's financial performance, the focus on risk management continues to be high. Centrum's risk management strategy has product neutrality, speed of execution, reliability of access and delivery of service at its core. Multiple products and diverse resource streams enable the Company to ensure the continued offering of customised solutions to suit client needs at all times, good and bad.

State-of-the-art technology, experienced professionals and a highly qualified IT team, coupled with adequate backup systems and compliance with regulatory norms, insulate Centrum to a large extent from the vagaries of the financial services.

At Centrum, a company-wide Risk Management Policy (RM Policy) is in place. The RM Policy is based on best-in-class standards and includes the Company's various activities as well as key criteria for effectively managing the various risks it faces. This Company has a systematic and proactive approach to identifying risks and adopting appropriate risk mitigation strategies. Management makes strategic decisions with guidance from the Board after carefully assessing secondary and residual risks.

### Internal Control and Adequacy

Centrum has focused on maintaining a strong internal control system commensurate with the Group's size and nature of operations. The Company's internal controls are structured to ensure reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use or losses, executing transactions with proper authorisation and ensuring compliance of corporate policies, laws, and accounting standards.

Financial, operational and accounting controls are suitable for the Company's size and scope. To ensure that its business is conducted in an orderly and efficient manner, the Company has devised and implemented numerous controls. Apart from routine and general checks, the Company has the following procedures or reviews in place to ensure the accuracy and completeness of accounting records,

as well as the timely creation of trustworthy financial data. External professional entities are appointed to analyse the process to ensure that the Company benefits from their subject-area expertise.

Sr. No.	Particulars	Reviewed by
1.	Internal Audit	F.K. Mody & Co. Chartered Accountants
2.	Internal Financial Controls	Sharp & Tannan, Chartered Accountants
3.	Secretarial Auditor	Umesh P. Maskeri, Practising Company Secretary

F.K. Mody & Co. Chartered Accountants has been appointed as the Company's internal auditor. Internal Auditing is conducted in accordance with an Internal Audit plan that is developed each year under the guidance of the Audit Committee. The Internal Audit process examines the effectiveness and efficiency of internal control checks and encompasses all important aspects of the Company's operations.

With a strong monitoring system in place, the Company has a Risk Management Committee and an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee regularly reviews the Internal Audit Reports as well as the findings and recommendations of the Internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up on the implementation of corrective actions. The Committee also meets with the Company's statutory auditors every quarter to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of Directors posted on its observations.

### Financial Overview and Key Ratios

During the year, the Group focused on building a granular loan book in its Banking and Affordable Housing finance business, while continuing with steady consolidation in the Advisory businesses. Unity Bank's Net Loan Book doubled from ₹ 2,366 Crore to ₹ 4,867 Crore, driven by addition of granular loans to MSMEs and Microfinance borrowers. Centrum Wealth delivered a healthy Profit Before Tax of ₹ 61.5 Crore, whereas Institutional Broking & other Advisory businesses delivered breakeven operating results. The Group's Consolidated Income for the year ending 31<sup>st</sup> March, 2023 was ₹ 1,365 Crore up ~90% Y-o-Y. Owing to enhanced provisions made in Unity Bank, profitability was impacted.

## Key Ratios.

Sr. No.	Particulars	FY 2023	FY 2022	YoY Change
1.	Debtors Turnover Ratio ( times )	6.29	7.2	(0.91)
2.	Interest coverage ratio ( times )	(0.07)	0.39	(0.45)
3.	Current Ratio ( times )	1.74	0.65	1.09
4.	Debt Equity Ratio ( times )	1.62	1.04	0.58
5.	Operation Profit Margin Ratio ( % )	(64%)	(8%)	(56%)
6.	Net Profit Margin Ratio ( % )	(124.46%)	(53.70%)	(70.76%)
7.	Return on Capital Employed ( % )	0.74%	2.29%	(1.55%)

## Cautionary Statement

This document contains statements about expected future events and the financial and operating results of the businesses that are forward-looking. By their nature, forward-looking statements require the business to make assumptions and are subject to inherent risks and uncertainties. There

is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to

differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Centrum Capital Limited's Annual Report for FY2023.



Annexure C

# Business Responsibility and Sustainability Report

## SECTION A: GENERAL DISCLOSURES

<b>I. Details of the listed entity</b>	<b>Remarks</b>
1 Corporate Identity Number (CIN) of the Listed Entity	L65990MH1977PLC019986
2 Name of the Listed Entity	CENTRUM CAPITAL LIMITED
3 Year of incorporation	1977
4 Registered office address	Level -9, Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (E), Mumbai - 400098
5 Corporate address	Level -9, Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (E), Mumbai - 400098
6 E-mail	<a href="mailto:secretarial@centrum.co.in">secretarial@centrum.co.in</a>
7 Telephone	022 4215 9000
8 Website	<a href="http://www.centrum.co.in">www.centrum.co.in</a>
9 Financial year for which reporting is being done	2022-23
10 Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited, BSE Limited
11 Paid-up Capital	₹ 41,60,32,740
12 Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the Business Responsibility and Sustainability Report (BRSR) report	Mr. Jaspal Singh Bindra 022 4215 9000 <a href="mailto:cs@centrum.co.in">cs@centrum.co.in</a>
13 Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

## II. Products/Services

14 Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial and Insurance Services	Financial Advisory, Brokerage and Consultancy Services	80.69
2	Financial and Insurance Services	Other Financial Activities	19.31

15 Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Activities auxiliary to financial service activities n.e.c.	66190	100

### III. Operations

16 Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	-	3	3
International	-	-	-

17 Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	3
International (No. of Countries)	-

b. What is the contribution of exports as a percentage of the total turnover of the entity?

1.17%

c. A brief on types of customers

The Company is engaged in providing fee based financial services to its clients comprising bluechip corporates, state and centre level undertakings (PSU), banks and financial institutions. It is also associated with fund raising exercises through placement of debt.

### IV. Employees

18 Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1	Permanent (D)	43	30	70%	13	30%
2	Other than Permanent (E)	-	-	-	-	-
3	<b>Total employees (D + E)</b>	<b>43</b>	<b>30</b>	<b>70%</b>	<b>13</b>	<b>30%</b>
<b>WORKERS</b>						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	<b>Total workers (F + G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## b. Differently abled Employees and workers

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	-	-	-	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	<b>Total differently abled employees (D + E)</b>	-	-	-	-	-
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	<b>Total differently abled workers (F + G)</b>	-	-	-	-	-

## 19 Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	13	2	15.38
Key Management Personnel	3	-	-

Note : Key Managerial Personnel are Executive Chairman, Chief Financial Officer and Company Secretary of the Company

## 20 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Particulars	FY 2023			FY 2022			FY 2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.20%	2.40%	14.60%	31.70%	31.20%	62.90%	24.90%	9.00%	33.90%
Permanent Workers	NA								

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

## 21 Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Centrum Retail Services Limited	Subsidiary	100.00	No
2	Centrum Financial Services Limited	Subsidiary	100.00	No
3	Centrum Broking Limited	Subsidiary	100.00	No
4	Centrum Wealth Limited	Subsidiary	68.28	No
5	Centrum Capital Advisors Limited	Subsidiary	100.00	No
6	Centrum Housing Finance Limited	Subsidiary	56.39	No
7	Centrum Insurance Brokers Limited	Subsidiary	100.00	No
8	Centrum Investment Advisors Limited	Subsidiary	100.00	No
9	Centrum Capital International Limited	Subsidiary	100.00	No
10	CCIL Investment Management Limited	Subsidiary	100.00	No

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
11	Centrum Microcredit Limited	Subsidiary	100.00	No
12	Modulus Alternatives Investment Managers Limited	Subsidiary	100.00	No
13	Centrum International Services Pte Limited	Subsidiary	100.00	No
14	Ignis Capital Advisors Limited	Subsidiary	100.00	No
15	Unity Small Finance Bank Limited	Subsidiary	51.00	No
16	Acorn Fund Consultants Private Limited	Associate	49.00	No

## VI. CSR Details

22	(i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No):	No
	(ii) Turnover	₹ 2,590.39 lakhs
	(iii) Net worth	₹ 44,109.97 lakhs

## VII. Transparency and Disclosures Compliances

23 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023			FY 2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than shareholders)	Yes, Debenture Holders can register their complaints/ grievances by writing an email to the Company ID <a href="mailto:cs@centrum.co.in">cs@centrum.co.in</a>	-	-	-	-	-	-
Shareholders	Yes, Shareholders can register their complaints/ grievances by writing an email to the Company ID <a href="mailto:cs@centrum.co.in">cs@centrum.co.in</a>	2	-	Complaints were suitably resolved in a timely manner.	-	-	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023			FY 2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and Workers	Yes, Employees can raise their grievances through email to Group Head - Human Resource. The Company has an Vigil Mechanism in place and employees can report as per the Whistle Blower Policy of the Company. Whistle Blower Policy is published on the website and intranet of the Company.	-	-	-	-	-	-
Customers	Yes, Customers can raise their grievances by writing an email to the Company ID <a href="mailto:igmbd@centrum.co.in">igmbd@centrum.co.in</a> or <a href="mailto:cs@centrum.co.in">cs@centrum.co.in</a>	-	-	-	-	-	-
Value Chain Partners	-	-	-	-	-	-	-

#### 24 Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Human Capital	Opportunity and Risk	Opportunity: Given the nature of the business of the Company, it requires human capital with high skills and talent to keep up	The demand for skilled human capital is high and	Positive: Retention of key employees drives improvement in customer acquisition and retention.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			<p>with the dynamically changing regulatory environment and guide clients, customers and stakeholders efficiently.</p> <p>Risk: There is intense competition for experienced senior management and other qualified personnel, particularly office managers &amp; executives. If we cannot hire additional or retain existing management personnel and employees, our ability to expand our business will be impaired and our revenue could be adversely affected. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, divert management resources, adversely affect our origination and collection rates, increase our exposure to high-risk credit and impose significant costs on us.</p>	<p>consequently, the Company has invested in the learning and development of the employees and outperformed competitors not only with respect to remuneration and employment benefits but also mental and physical well-being.</p>	<p>Negative: High attrition possibilities leads to increase in employee benefit expenses and creates legacy issues.</p>
2	Technology and Data Security	Opportunity and Risk	<p>Opportunity: Technology has allowed the Company to provide its services remotely and serve our clients in a robust and efficient manner. Technology serves as a catalyst for innovation, driving economic growth and creating new opportunities for businesses. It enables the development of new products, services, and business models, leading to increased productivity and competitiveness.</p> <p>Risk: Computer break-ins, power and communication disruptions could affect the security of information stored in and transmitted through our computer systems and network infrastructure.</p>	<p>We seek to protect our computer systems and network infrastructure from physical break-ins as well as fraud and system failures. We employ security systems, including firewalls and password encryption, designed to minimize the risk of security breaches.</p>	<p>Positive: Having a robust IT infrastructure offers improved efficiency, enhanced communication and collaboration, scalability, data management and security, business continuity, cost savings in the long run, and a competitive advantage.</p> <p>Negative: A significant failure of security measures or operational procedures could have a limited effect on our business as the Company doesn't deal with customer data. Although we take adequate measures to safeguard against system-related and other frauds, there can be no assurance that it would be able to prevent frauds.</p>

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Investments in Subsidiaries	Opportunity	The Company is the holding company having significant investments across multiple subsidiaries with diversified fee based businesses, a growing lending platform and a Small Finance Bank. The Banking, Financial Services and Insurance (BFSI) sector is expected to grow significantly in the coming years, with government initiatives such as Digital India, the Unified Payments Interface (UPI), globalisation and a push towards a cashless economy acting as driving factors.	-	The digital lending market is expected to be a major growth driver, with a projected book size of USD 515 billion by 2030. The adoption of digital payment modes and mobile apps in rural areas is creating opportunities for digital banking and new business avenues. The simplification of banking procedures through digitisation is further increasing the reach of the banking sector.  With the growth of India's high-net-worth and ultra high-net-worth population, the potential for the growth of the wealth management industry continues to be higher than ever.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

National Voluntary Guidelines (NVGs) on social, environmental and economic responsibilities of business prescribed by the Ministry of Corporate Affairs advocates the nine principles as detailed below:

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**PRINCIPLE 2 : Businesses should provide goods and services in a manner that is sustainable and safe**

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**PRINCIPLE 5: Businesses should respect and promote human rights**

**PRINCIPLE 6 : Businesses should respect and make efforts to protect and restore the environment**

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development**

**PRINCIPLE 9 : Businesses should engage with and provide value to their consumers in a responsible manner**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements

Sr. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	c. Web Link of the Policies, if available	The Corporate Policies of the Company can be accessed through the website <a href="http://www.centrum.co.in">www.centrum.co.in</a> . Some of the policies of the Company are accessible only to employees and other internal stakeholders.								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	-	-	-	-	-	-	-	-
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	We don't have mandated targets, commitments, or evaluation process for all policies. We have procedures in place to track key parameters like shareholder complaints, employee satisfaction surveys, consumption of resources like water, paper, electricity consumption, replacement of conventional CFL lights with energy efficient LED lights, etc.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company tracks key parameters in policies and record it for learning and development to enhance our policies.								
<b>Governance, leadership and oversight</b>										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Please refer to the disclosure forming part of the Management Discussion and Analysis.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Jaspal Singh Bindra - Executive Chairman								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Mr. Jaspal Singh Bindra - Executive Chairman is involved for Sustainability related activities. Community/ social related initiatives are looked after by CSR Committee of the Company.								



## 10 Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
		Performance against above policies and follow up action	Policies wherever stated have been approved by Board / Committees of Board of the Company. Policies are reviewed at periodic intervals in all aspects including statutory requirements depending on the frequency stated in respective policies or on need basis whichever is earlier and necessary updates are made to the policies.							
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company has necessary procedures in place to ensure the compliance with all relevant principles									

11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		No, however all policies and processes are subject to audits / reviews done internally by the Company from time to time.								

## 12 If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-		-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-		-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	Refer note 1	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-		-	-
Any other reason (please specify)	-	-	-	-	-	-		-	-

Note 1 : While there is no specific Policy outlined for this principle, the Company's published Code of Conduct and Business Ethics governs all employees, officers and Directors and requires them to act in accordance with high professional and ethical standards. The Company, through trade bodies and associations, puts forth a number of suggestions.

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE - 1 BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

#### Essential Indicators

- 1 Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors		Refer Note 1	
Key Managerial Personnel		Refer Note 2	
Employees other than BOD and KMPs		Refer Note 2	
Workers	The Company does not have any workers as provided in the guidance note on BRSR, issued by SEBI		

#### Note 1

The Company provides various updates to the members of the Board and Committee during the course of Board/ Committee Meeting and Offline Sessions on matters pertaining to updates on the business, risk management framework, fraud prevention, cyber security, key compliance, risk and audit observations, impact arising out of the issues along with management action plans. The Board was also apprised on the latest development in laws including changes in the laws pertaining to Insider Trading, Related Party Transactions, Taxation, etc. Considering all of the above, approximately 3 hours would have been spent by each Board Member during the financial year on various familiarisation programmes during Board/Committee meetings and offline sessions.

#### Note 2

The Company has a Code of Conduct which defines the professional and ethical standards that employees, KMPs and Directors need to adhere to in compliance with all applicable statutory laws, regulations and internal policies. The Code is published on the Company's website/Intranet. Employees including KMPs are required to annually confirm that they have read and understood the Code. All new employees are also required to confirm that they have read and understood the Code at the time of their induction. In addition, the Company has instituted several policies to ensure adherence to existing statutory laws and regulations such as The Whistle Blower policy, The Prevention of Sexual Harassment (POSH) at the Workplace policy, etc.

- 2 Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			Nil		
Settlement					
Compounding fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment		Nil		
Punishment				

- 3 Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

- 4 Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy - Yes - [www.centrum.co.in](http://www.centrum.co.in)
- 5 Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2023	FY 2022
Directors		
KMPs		
Employees		Nil
Workers		

- 6 Details of complaints with regard to conflict of interest

Particulars	FY 2023		FY 2022	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	NA	-	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	NA	-	NA

- 7 Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest: Not Applicable

### Leadership Indicators

- 1 Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same

Yes. The Company annually obtains declaration from the directors affirming compliance with the Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The Company also conducts regular internal checks to ensure the same.

**PRINCIPLE - 2** **BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

**Essential Indicators**

- 1 Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	FY 2023	FY 2022	Details of improvements in environmental and social impacts
R&D	-	-	NA
Capex	-	-	NA

- 2 a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No.

- b. If yes, what percentage of inputs were sourced sustainably?

The consumption of resources is limited to running of operations and sourcing of inputs is not material.

- 3 Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Not applicable. The Company is engaged in Financial services industry. The Company doesn't supply any products and hence this is not applicable.

- 4 Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

No.

**PRINCIPLE - 3** **BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS**

**Essential Indicators**

- 1 a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities*	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	30	30	100%	-	-	-	-	30	100%	-	-
Female	13	13	100%	-	-	13	100%	-	-	-	-
<b>Total</b>	<b>43</b>	<b>43</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>13#</b>	<b>100%</b>	<b>30#</b>	<b>100%</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent employees</b>											
Male	NA										
Female	NA										
<b>Total</b>	NA										

\*To enable women employees to stay invested in their careers, the Company offers supportive policies that cater to their needs at various life stages. Some of these policies include maternity leave including sabbatical, adoption leave of 84 days and medical leave in case of miscarriage / medical termination of pregnancy, any illness arising out of pregnancy and trust based sick leave and paternity leave.

\*The Company extends Maternity Benefit and Paternity Benefit to all female and male employees respectively.

## b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male											
Female		NA									
<b>Total</b>											
<b>Other than Permanent workers</b>											
Male											
Female		NA									
<b>Total</b>											

The Company does not have any workers as defined in the guidance note on BRSR, issued by SEBI

## 2 Details of retirement benefits, for Current Financial Year and Previous Financial Year

Benefits	FY 2023			FY 2022		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	98%	NA	Yes	97%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI	0%	NA	Yes	0%	NA	Yes
Others – please specify	0	NA	NA	0	NA	NA

## 3 Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes, our offices are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

## 4 Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, Equal Opportunity Policy of the Company is available at <https://centrum.co.in/sites/default/files/Policies/Equal%20Opportunity%20Policy.pdf>

## 5 Return to work and Retention rates of permanent employees and workers that took parental leave

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable, as none of the employees availed Maternity or Paternity Leave during the year under review.			
Female				
<b>Total</b>				

- 6 Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	<b>Yes/No (If Yes, then give details of the mechanism in brief)</b>
Permanent Workers	The Company does not have any workers as defined in the guidance note on BRSR, issued by SEBI
Other than Permanent Workers	NA
Permanent Employees	<p>Yes, The Company has a culture where employees can freely raise and discuss issues concerning themselves to Group Head - Human Resource.</p> <p>The Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace. The Policy can be viewed at <a href="https://centrum.co.in/sites/default/files/Policies/Policy%20for%20Prevention%20Prohibition%20and%20Redressal%20of%20Sexual%20Harassment%20at%20the%20workplace_0.pdf">https://centrum.co.in/sites/default/files/Policies/Policy%20for%20Prevention%20Prohibition%20and%20Redressal%20of%20Sexual%20Harassment%20at%20the%20workplace_0.pdf</a>. Further the Company has set-up an Internal Complaints Committee to redress any such complaints received.</p> <p>The Company has a Whistle Blower Policy to report genuine concerns or grievances and to provide adequate safeguards against victimization of persons who may use the mechanism. The Whistle Blower Policy encourages the employees and other parties to report unethical behaviours, malpractices, wrongful conduct, fraud, violation of the Company's policies &amp; values, violation of law by any employee of the Company without any fear of retaliation. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee in exceptional cases. The policy can be viewed at <a href="https://centrum.co.in/sites/default/files/Policies/Whistle%20Blower%20Policy_1.pdf">https://centrum.co.in/sites/default/files/Policies/Whistle%20Blower%20Policy_1.pdf</a></p>
Other than Permanent Employees	NA

- 7 Membership of employees and worker in association(s) or Unions recognised by the listed entity

Category	FY 2023			FY 2022		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Permanent Employees</b>						
- Male						
- Female						
<b>Total</b>						
<b>Permanent Workers</b>						
- Male						
- Female						
<b>Total</b>						

## 8 Details of training given to employees and workers

Category	FY 2023					FY 2022				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	30	30	100%	3	10%	25	25	100%	-	-
Female	13	13	100%	2	15%	11	11	100%	-	-
<b>Total</b>	<b>43</b>	<b>43</b>	<b>100%</b>	<b>5</b>	<b>12%</b>	<b>36</b>	<b>36</b>	<b>100%</b>	<b>-</b>	<b>-</b>
<b>Workers</b>										
Male										
Female										NA
<b>Total</b>										

## 9 Details of performance and career development reviews of employees and worker: Rewards and Recognition programme conducted

Category	FY 2023			FY 2022		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	30	22	73%	25	22	88%
Female	13	8	62%	11	7	64%
<b>Total</b>	<b>43</b>	<b>30</b>	<b>70%</b>	<b>36</b>	<b>29</b>	<b>81%</b>
<b>Workers</b>						
Male						
Female						NA
<b>Total</b>						

## 10 Health and safety management system:

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

The Company doesn't have occupational health or safety hazard considering its business operations. However, health risks related to long hours at desk, exposure to electronic devices like laptop, mobile, etc. is expected. Employee well-being continues to be a priority of the Company. Considering the well-being of our employees we conduct yoga sessions, health awareness campaigns on various topics affecting our employees. Periodic trainings on fire safety and fire-fighting equipment are provided along with evacuation drills.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

This is not directly applicable given the nature of business. However, the Company regularly conducts seminars by leading health practitioners on areas of health affecting our employees.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

This is not applicable as the Company does not have any workers as defined in the guidance note on BRSR, issued by SEBI.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. All of the Company's employees are covered under its health insurance policy.

**11 Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2023	FY 2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	NA	NA
Total recordable work-related injuries	Employees	-	-
	Workers	NA	NA
No. of fatalities	Employees	-	-
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	NA	NA

**12 Describe the measures taken by the entity to ensure a safe and healthy work place**

To create a safe and healthy work environment, the Company has implemented several measures:

- Fire alarm systems, smoke detectors, and fire extinguishers are installed at all premises to ensure prompt detection and effective response in case of fire incidents.
- The Company organizes various programs and events to promote good health and well-being among employees. Examples include Wow Wednesdays, Independence Day Quiz, Women's Day celebration, and a Cricket Tournament, which encourage employee engagement and foster a healthy work culture.
- Interactive webinars on various health, awareness and well-being related topics are conducted to provide employees with valuable knowledge and skills. These webinars cover subjects such as Anti-Smoking Session, Proactive Skills to Manage Stress, Arthritis & Osteoporosis, Yoga At Your Desk, Achieve Harmonic Balance in Life with Nada Yoga, Sound Meditation & Music, Digital Minimalism - Choosing a focused life in the noisy world, Cancer Awareness, Interactive session on Diet & Nutrition.
- The Company ensures that proper ventilation systems are in place to maintain good indoor air quality. This helps to reduce the concentration of pollutants, allergens, and pathogens, contributing to a healthier work environment.

**13 Number of Complaints on the following made by employees and workers:**

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	NA	-	-	NA
Health & Safety	-	-	NA	-	-	NA

**14 Assessments for the year:**

**FY 2023**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices Working Conditions	No assessment has been done by statutory authorities or third parties.



- 15 Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions

No corrective actions required this year due to zero accidents. However, the policy and practice is reviewed for adequacies annually by the HR Team.

### Leadership Indicators

- 1 Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company extends support to families in the event of an employee's death. This includes Term life Policy, Future Service Gratuity Policy and Retrial benefits (PF, gratuity and Employees Deposit Linked Insurance Scheme).

- 2 Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company is compliant with deduction of statutory dues of employees towards income tax, provident fund, professional tax, ESIC etc. as applicable from time to time. Value chain partners (vendors) are equally responsible to comply as per the contract with the Company. The Company has statutory and internal audit procedures to ensure the above.

- 3 Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023	FY 2022	FY 2023	FY 2022
Employees	-	-	NA	NA
Workers	-	-	NA	NA

## PRINCIPLE - 4 **BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

### Essential Indicators

- 1 Describe the processes for identifying key stakeholder groups of the entity.

The key stakeholders are identified in consultation with the Company's management. Considering the business activities of the Company, stakeholders are Investors (includes Shareholders), Communities, Government & Regulatory Bodies, Vendors/Clients and Employees.

- 2 List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors (includes Shareholders)	No	Email, SMS, Newspaper, Notice, Website, Stock Exchange Intimations	At least Quarterly and need based	To update about material developments of the Company, performance of the Company, information mandated to be provided as per regulations
Communities	No	Through Centrum Foundation.	Need based	To reach out to the under privileged and needy.
Government & Regulatory Bodies	No	Email	Need based	Seeking clarifications and relaxation, communicating challenges and providing recommendations, knowledge sharing, regulatory inspections and queries.
Vendors/Clients	No	Emails, Meetings, Website	Ongoing	Superior customer service throughout the engagement life cycle
Employees	No	Email, Meetings, Internal communication platforms	Ongoing	Career development, salary and other perquisites, work ethics, policy communication, team building

### Leadership Indicators

- 1 Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board

We prioritize stakeholder consultation on economic, environmental, and social topics to ensure a comprehensive approach to our Environmental, Social, and Governance (ESG) framework. We engage in careful deliberations with the management to identify our key internal and external stakeholders, which include Investors (includes Shareholders), Communities, Government & Regulatory Bodies, Vendors/Clients and Employees. Through this inclusive approach, we gather valuable insights and feedback from our stakeholders. These inputs are integrated into our decision-making processes, allowing us to align our business imperatives with the critical needs of our stakeholders and the broader society. This information serves as a crucial input for informed decision-making, enabling us to navigate economic, environmental and social considerations responsibly and sustainably.

- 2 Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity

Yes. The engagement with stakeholders on a continuous basis helps in meeting the expectations for enabling the Company to serve its stakeholders better. As a result of engaging with our employees, the Company in the recent years has installed a electric vehicle charging point to encourage employees to use electric vehicles.

**PRINCIPLE - 5** BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**Essential Indicators**

- 1 Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023			FY 2022		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	43	43	100%	36	-	-
Other permanent	-	-	-	-	-	-
<b>Total Employees</b>	<b>43</b>	<b>43</b>	<b>100%</b>	<b>36</b>	<b>-</b>	<b>-</b>
<b>Workers</b>						
Permanent						
Other permanent						
<b>Total Workers</b>						NA

- 2 Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023					FY 2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Permanent	43	0	0%	43	100%	36	0	0%	36	100%
Other permanent	-	-	-	-	-	-	-	-	-	-
<b>Total Employees</b>	<b>43</b>	<b>0</b>	<b>0%</b>	<b>43</b>	<b>100%</b>	<b>36</b>	<b>0</b>	<b>0%</b>	<b>36</b>	<b>100%</b>
<b>Workers</b>										
Permanent										
Other permanent										
<b>Total Workers</b>										NA

- 3 Details of remuneration/salary/wages, in the following format

Gender	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BOD)	12	4,00,000	2	2,50,000
Key Managerial Personnel	3	2,21,98,876	-	NA
Employees other than BOD and KMP	27	23,40,000	13	15,12,498
Workers	NA	NA	NA	NA

Key Managerial Personnel are Executive Chairman, Chief Financial Officer and Company Secretary of the Company

- 4 Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

- 5 Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has Internal Complaints Committee (“ICC”), under Section 4(1) of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. ICC has one presiding member, an external member and other members. Any complaint can be emailed to the presiding officer and the grievance will be redressed by the committee in the appropriate manner.

- 6 Number of Complaints on the following made by employees and workers:

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

- 7 Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

In cases of complaints of Sexual Harassment made in good faith, the Aggrieved Person lodging the Complaint and any person providing information or any witness, are protected from any form of retaliation. While dealing with Complaints, the Internal Complaints Committee ensures that the Aggrieved Person or the witness are not victimized or discriminated against by the accused. Any unwarranted pressures, retaliatory or any other type of unethical behaviour from the accused against the Aggrieved Person while the investigation is in progress can be reported by the Aggrieved Person to the Internal Complaints Committee. Disciplinary action can be recommended by the Internal Complaints Committee to the Management Team against any such Complaints.

Further, in case of complaints made with malicious intent, the internal complaints committee may recommend appropriate disciplinary against the complainant. The persons who are victims of such frivolous or false complaints may, in addition to the above, seek legal remedies as may be provided under the various laws for the time being in force.

In cases of Whistle Blower Complaints, no unfair treatment is meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under the Whistle Blower Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection is given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/ her duties/ functions including making further Protected Disclosure.

As per the Whistle Blower Policy, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure etc.

The identity of the Whistle Blower is kept confidential. Any other Employee assisting in the said investigation is also protected to the same extent as the Whistle Blower.

8 Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No

9 Assessments for the year:

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	-
Forced/involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	-
Others – please specify	-

10 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No corrective actions were required given that no inspection were undertaken.

### **Leadership Indicators**

1 Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints

No corrective actions on the current procedure were initiated as the current system in place was found adequate and also since no incidence of violation took place, indicating a greater possibility of an effective system in place.

2 Details of the scope and coverage of any Human rights due-diligence conducted

Not Applicable

3 Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, our offices are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above

No corrective actions on the current procedure were initiated as the current system in place was found adequate and also since no incidence of violation took place, indicating a greater possibility of an effective system in place.

**PRINCIPLE - 6** **BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

**Essential Indicators**

- 1 Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format

Parameter	FY 2023	FY 2022
Total electricity consumption (A)	374.37 Gigajoule	315.82 Gigajoule
Total fuel consumption (B)	14.83 Gigajoule	7.86 Gigajoule
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	389.20 Gigajoule	323.68 Gigajoule
Energy intensity per rupee (in lakhs) of turnover (Total energy consumption / turnover in lakhs)	0.14	0.09
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

- 2 Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No site / facilities is identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India

- 3 Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023	FY 2022
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	642.86 kl	384.49 kl
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	642.86 kl	384.49 kl
Total volume of water consumption (in kilolitres)	642.86 kl	384.49 kl
Water intensity per rupee (in lakhs) of turnover (Water consumed / turnover in lakhs)	0.25	0.10
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

- 4 Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation

No.

- 5 Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023	FY 2022
NOx	NA	Not measured separately	Not measured separately
SOx	NA	Not measured separately	Not measured separately
Particulate matter (PM)	NA	Not measured separately	Not measured separately
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

- 6 Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023	FY 2022
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Refer Note 1 Below	
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent		
Total Scope 1 and Scope 2 emissions per rupee of turnover		Refer Note 1 Below	
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

Note: 1. Being an Investment Banking Company, we typically do not have significant Scope 1 emissions since our core operations typically involve financial services rather than activities that directly generate greenhouse gas emissions. However, there may be some limited instances where the company may have minor Scope 1 emissions. The Company is actively working to collect more data on Scope 1 and 2 emissions. Due to the nature of our business and our limited direct emissions sources, we have determined that the impact of Scope 1 emissions is negligible. Similarly, our Scope 2 emissions, which are associated with the consumption of purchased electricity, are not reported as we are unable to obtain reliable and verifiable data on the emission factors specific to our electricity sources. We acknowledge the importance of transparent reporting and taking responsibility for our environmental impact. We are committed to continuously improving our sustainability practices and exploring opportunities for comprehensive emissions reporting in the future.

- 7 Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

No.

8 Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023	FY 2022
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	Not measured separately	Not measured separately
E-waste (B)	E-waste is disposed through recognised vendors.	
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	Battery is disposed through recognised vendors.	
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	NA	NA
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	NA	NA
Total (A+B + C + D + E + F + G + H)	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	Not measured separately	Not measured separately
(ii) Landfilling	Not measured separately	Not measured separately
(iii) Other disposal operations	Not measured separately	Not measured separately
Total	Not measured separately	Not measured separately

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No.

9 Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Company's business activities provides limited opportunities to incorporate recycled materials as processed inputs. The Company disposes of waste (like paper, plastic, etc.) through the state's municipal authorities, while e-waste is discarded via authorised vendors. In an effort to minimise the usage of plastics in offices and branches, Company has actively encourages use of alternative materials. Due to the nature of the Company's business it is not required to directly use hazardous and toxic materials for its products / processes.



- 10 If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The office does not have operations/offices in/around ecologically sensitive areas			

- 11 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
The office does not have operations/offices in/around ecologically sensitive areas					

- 12 Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, Company is compliant with all the applicable laws.				

### Leadership Indicators

- 1 Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2023	FY 2022
<b>From renewable sources</b>		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	-	-
<b>From non-renewable sources</b>		
Total electricity consumption (D)	374.37 Gigajoule	315.82 Gigajoule
Total fuel consumption (E)	-	-
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	374.37 Gigajoule	315.82 Gigajoule

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No.

- 2 Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. All critical IT services required for business operations like email and collaboration and file storage are hosted with reputed SaaS providers on redundant private / public cloud. Users are provided computers to access cloud services to perform business processes using multi-factor authentication. Data for SaaS service is archived and can be restored from archive even in case user deletes the data. Financial accounting solution is hosted on-premises and its data is backed up on the cloud on daily basis. In case of primary site goes down, data can be restored on the cloud and normal operations can be resumed from there.

**PRINCIPLE - 7** **BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

**Essential Indicators**

- 1 a. Number of affiliations with trade and industry chambers/ associations - 3  
 b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Association of Investment Bankers of India	National
2	All India Association of Industries	National
3	Federation of Indian Chamber of Commerce and Industry	National

- 2 Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities - Nil

**PRINCIPLE - 8** **BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**Essential Indicators**

- 1 Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year - Not Applicable
- 2 Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity - Not Applicable
- 3 Describe the mechanisms to receive and redress grievances of the community.  
 Centrum Foundation works closely with communities in areas like education, health care, disaster relief, etc. from time to time. Company employees also volunteer in the activities of Centrum Foundation.
- 4 Percentage of input material (inputs to total inputs by value) sourced from suppliers - Not applicable, as we are not in manufacturing of goods and sourcing of goods is not a part of our core activities.

**PRINCIPLE - 9** **BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

- 1 Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We have a robust mechanism in place to receive and respond to consumer complaints and feedback. As a company committed to delivering exceptional services, we recognize the importance of actively engaging with our valued customers and addressing their concerns promptly and effectively. Our customers can reach out to the respective business heads and alternatively write to [igmb@centrum.co.in](mailto:igmb@centrum.co.in) for redressal of their complaint or to share their feedback.

The consumer complaints are duly responded to by respective Business Heads.

- 2 Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

- 3 Number of consumer complaints in respect of Data Privacy, Advertising, Cyber-security, Delivery of Essential Services, Restrictive Trade Practices, Unfair Trade Practices

There are no consumer complaints in respect of Data Privacy, Advertising, Cyber-security, Delivery of Essential Services, Restrictive Trade Practices, Unfair Trade Practices for FY 2021-22 and FY 2022-23.

- 4 Details of instances of product recalls on account of safety issues: - Not Applicable

- 5 Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Company has a cyber security framework that covers important aspects like IT governance, end user training, cyber incident and crisis management plan, identification and securing of critical information and assets, secure transfer of information and anti-malware solutions. Access to information and systems are restricted by "need-to-know" and "need-to-have" basis to mitigate risk. Multi-factor authentication is required to access critical IT resources. Safe disposal of storage medium is followed.

- 6 Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No corrective actions required for the period as there were no instances of breach and routine procedures were found effective in review.

### Leadership Indicators

- 1 Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on products and services of the Company can be accessed on [www.centrum.co.in](http://www.centrum.co.in)

- 2 Provide the following information relating to data breaches:

a. Number of instances of data breaches along with impact - Nil

b. Percentage of data breaches involving personally identifiable information of customers - Nil

# Corporate Governance Report

**Company's Report on Corporate Governance for the Financial Year ended March 31, 2023, pursuant to Regulation 34(3) and 53(1)(f) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

## I. PHILOSOPHY OF CORPORATE GOVERNANCE:

Centrum Capital Limited ("the Company"/"Centrum") believes that robust ethical practices, transparency in operations and timely disclosures go a long way in enhancing shareholder value, while safeguarding interests of all stakeholders. Over the years, the Company has complied with the principles of Corporate Governance emphasizing on transparency, empowerment, accountability and integrity. Corporate Governance, therefore, generates long-term economic value for Stakeholders.

The Company has adopted a Code of Business Conduct and Ethics for its employees including the Executive Directors. In addition, the Company has adopted a Code of Conduct for the Board Members and Senior Management Team, which includes Code for matters relating to Independent Directors. The Company's corporate governance philosophy has been further strengthened through the Centrum Code of Conduct to regulate, monitor and report trading by Designated Persons in securities of Centrum Capital Limited ("Insider Trading Code").

The Company is committed to adhere to the Code of Corporate Governance as it means adoption of best business practices aimed at growth coupled with bringing benefits to investors, customers, creditors, employees and the society at large. The objective of the Company is not just to meet the statutory requirements of the Code of Corporate Governance as prescribed under Regulation 34(3) and 53(1)(f) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") but also to develop systems and follow practices and procedures to comply with the spirit of law.

Over the years, we have strengthened our governance practices. These practices define the way business is conducted and value is generated. Stakeholders' interests are the primary consideration parameter when taking business decisions.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as applicable, with regard to corporate governance. In accordance with Regulation 34(3) and 53(1)(f) read with Schedule V of the Listing Regulations and best practices followed in Corporate Governance, the details of compliance by the Company are as under:

## II. BOARD OF DIRECTORS:

In terms of the Company's Corporate Governance philosophy, all statutory and other significant and material information is placed before the Board to enable it to discharge its' responsibility of strategic supervision of the Company as trustees of the Shareholders. The Board reviews and approves the strategy and oversees actions and results of the Management, to ensure that long-term objectives are achieved.

### A. COMPOSITION OF THE BOARD:

The Board of Directors ("Board") comprises of Executive and Non-Executive Directors. The Non-Executive Directors include independent professionals having considerable experience in their respective fields.

The strength of the Board as on March 31, 2023, is 13 Directors. The Board comprises of 7 Independent Directors, 5 Non-Executive Non-Independent Directors and an Executive Chairman.

The Board has identified the following skills / expertise / competencies, which are fundamental for the effective functioning of the Company, and are currently available with the Board:

Sr. No.	Name of the Director	Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)
1	Mr. Chandir Gidwani	Entrepreneur, Accounts & Finance, Business Strategy and Corporate Management
2	Mr. Jaspal Singh Bindra	Entrepreneur, Banking and Finance, Business Strategy and Corporate Management
3	Mr. Rishad Byramjee	Entrepreneur, Shipping and Logistics Industry domain, Business Strategy and Corporate Management
4	Mrs. Mahakurshid Byramjee	Entrepreneur, Real Estate Development, Business Strategy and Corporate Management
5	Mr. Ramchandra Kasargod Kamath	Professional, Banking & Finance, Secretarial, Corporate Governance
6	Mr. Subhash Kutte	Professional, Banking & Finance
7	Mr. Manmohan Shetty	Entrepreneur, Film & Entertainment Industry domain, Business Strategy and Corporate Management
8	Mr. Narayan Vasudeo Prabhutendulkar	Professional, Finance, Management, Secretarial & Corporate Governance
9	Ms. Anjali Seth	Professional, Law – Corporate Sector, Merger & Acquisitions and Private Equity, Corporate Governance
10	Mr. Subrata Kumar Mitra	Professional, Banking & Finance
11	Mr. Rajesh Kumar Srivastava	Professional, Banking & Finance
12	Mr. Sankaranarayanan Radhamangalam Anantharaman	Professional, Banking, Risk & Treasury
13	Mr. Essaji Vahanvati	Professional, Law - Specialization in distressed debt, Restructuring and Litigation

The number of Directorships, Committee Memberships/ Chairmanships of all Directors are within respective limits prescribed under the Companies Act, 2013 (“the Act”) and Listing Regulations.

#### B. DIRECTORS’ DIRECTORSHIPS/COMMITTEE MEMBERSHIPS:

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Act or act as Chairperson of more than 5 committees, across all public limited companies, in which he/ she is a Director (The Audit Committee and Stakeholders’ Relationship Committee are only considered in computation of limits). Based on the intimations/disclosures received from the Directors, none of the Directors of the Company hold Memberships/ Chairpersonship of the Board/Committees, more than the prescribed limits under the Listing Regulations.

Relevant details of the Board of Directors as on March 31, 2023, are given below:

Name of Director & DIN	Date of Appointment (dd/mm/yyyy)	Category of Director	Directorships in other Indian Public Limited Companies (excluding Centrum)	No. of Board Committees in which Chairperson/ Member (excluding Centrum)		List of Directorship held in Other Listed Companies and Category of Directorship
				Chairperson	Member	
Mr. Chandir Gidwani DIN: 00011916	07/09/1996	Chairman Emeritus (Non-Executive)	7	2	3	<ul style="list-style-type: none"> <li>ADF Foods Limited (Non-Executive Independent Director)</li> <li>Rap Media Limited (Non-Executive Independent Director)</li> </ul>

Name of Director & DIN	Date of Appointment (dd/mm/yyyy)	Category of Director	Directorships in other Indian Public Limited Companies (excluding Centrum)	No. of Board Committees in which Chairperson/ Member (excluding Centrum)		List of Directorship held in Other Listed Companies and Category of Directorship
				Chairperson	Member	
Mr. Jaspal Singh Bindra DIN: 00128320	21/04/2016	Executive Chairman	3	0	0	<ul style="list-style-type: none"> <li>Unity Small Finance Bank Limited (Debt Listed) (Non-Executive Director)</li> </ul>
Mrs. Mahakurshid Byramjee DIN: 00164191	18/04/2001	Non-Executive Director	0	0	0	-
Mr. Rishad Byramjee DIN: 00164123	11/03/2003	Non-Executive Director	2	0	1	-
Mr. Ramachandra Kasargod Kamath DIN: 01715073	14/11/2015	Non-Executive Director	3	1	3	<ul style="list-style-type: none"> <li>Aavas Financiers Limited (Nominee Director)</li> <li>Spandana Sphoorty Financial Limited (Nominee Director)</li> </ul>
Mr. Rajesh Kumar Srivastava DIN: 00302223	23/11/2022	Non-Executive Director	2	0	2	-
Mr. Manmohan Shetty DIN: 00013961	05/08/2016	Independent Director	2	0	0	-
Mr. Subhash Kutte DIN: 00233322	06/07/2015	Independent Director	6	3	7	<ul style="list-style-type: none"> <li>Synergy Green Industries Limited (Non-Executive Independent Director)</li> <li>Menon Pistons Limited (Non-Executive Independent Director)</li> <li>Unity Small Finance Bank Limited (Debt Listed) (Non-Executive Independent Director)</li> </ul>
Mr. Narayan Vasudeo Prabhutendulkar DIN: 00869913	01/10/2018	Independent Director	1	1	1	<ul style="list-style-type: none"> <li>Bandhan Bank Limited (Non-Executive Independent Director)</li> </ul>
Ms. Anjali Seth DIN: 05234352	12/11/2018	Independent Director	5	4	6	<ul style="list-style-type: none"> <li>Nirlon Limited (Non-Executive Independent Director)</li> <li>Endurance Technologies Limited (Non-Executive Independent Director)</li> <li>Kalpataru Power Transmission Limited (Non-Executive Independent Director)</li> <li>Centrum Housing Finance Limited (Debt Listed) (Non-Executive Independent Director)</li> </ul>

Name of Director & DIN	Date of Appointment (dd/mm/yyyy)	Category of Director	Directorships in other Indian Public Limited Companies (excluding Centrum)	No. of Board Committees in which Chairperson/ Member (excluding Centrum)		List of Directorship held in Other Listed Companies and Category of Directorship
				Chairperson	Member	
Mr. Subrata Kumar Mitra DIN: 00029961	12/09/2019	Independent Director	8	5	10	<ul style="list-style-type: none"> <li>Asirvad Micro Finance Limited (Debt Listed) (Non-Executive Independent Director)</li> <li>Onward Technologies Limited (Non-Executive Independent Director)</li> <li>IL&amp;FS Engineering and Construction Company Limited (Non-Executive Independent Director)</li> <li>IL&amp;FS Transportation Networks Limited (Non-Executive Independent Director)</li> <li>AGS Transact Technologies Limited (Non-Executive Independent Director)</li> </ul>
Mr. Sankaranarayanan Radhamangalam Anantharaman DIN: 05230407	03/04/2021	Independent Director	2	-	2	<ul style="list-style-type: none"> <li>The South Indian Bank Limited (Non-Executive Independent Director)</li> </ul>
Mr. Essaji Vahanvati DIN: 00157299	14/10/2022	Independent Director	2	0	1	<ul style="list-style-type: none"> <li>Gland Pharma Limited (Non-Executive Independent Director)</li> <li>Elcid Investments Limited (Non-Executive Independent Director)</li> </ul>

**Notes:**

- Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
- Membership of Committees only includes Audit Committee and Stakeholders Relationship Committee in all the public limited companies other than Centrum. Based on the intimations/disclosures received from the Directors, none of the Directors of the Company hold Memberships/ Chairpersonship of the Board/Committees, more than the prescribed limits under the Listing Regulations.
- Due to increased personal commitments, Mr. Rajasekhara Reddy (DIN: 02339668), Non-Executive Independent Director of the Company resigned from the directorship of the Company with effect from September 05, 2022. There were no other material reasons other than those provided.
- Mr. Essaji Vahanvati appointed as Non-Executive Independent Director on October 14, 2022.
- Mr. Rajesh Kumar Srivastava's designation changed from Non-Executive Independent Director to Non-Executive Non Independent Director of the Company with effect from November 23, 2022.
- Mr. Rishad Byramjee is the son of Mrs. Mahakurshid Byramjee. None of the other Directors are related inter-se.
- Brief profiles of each of the above Directors are available on the Company's website: [www.centrum.co.in](http://www.centrum.co.in).
- Maximum tenure of Independent Directors is in accordance with the Act and rules made thereunder.

**C. INDEPENDENT DIRECTORS CONFIRMATION BY THE BOARD:**

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. A formal letter of appointment to Independent Directors as provided in the Act, has been issued and disclosed on website of the Company viz. [www.centrum.co.in](http://www.centrum.co.in)

**D. NUMBER OF INDEPENDENT DIRECTORSHIPS:**

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as an Independent Director in more than seven listed companies.

**E. BOARD MEETINGS:**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review

the financial performance of the Company and its subsidiaries. In case of business exigencies, the approval of the Board is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

The notice and detailed agenda along with the relevant notes and other material information is sent in advance separately to each Director and in exceptional cases, tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions are taken by the Board. Additionally, the Board reviews the performance of the Company vis-à-vis the budgets/targets.

4 (Four) Board Meetings were held during the Financial Year 2022-23 i.e. May 30, 2022, August 11, 2022, November 10, 2022 and February 13, 2023. All Board Meetings in FY 2022-23 were held through video conferencing and the gap between two consecutive meetings was less than 120 days.

Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM):

Sr. No.	Name of Directors	No. of Board Meetings attended	Whether Attended the AGM held on August 11, 2022
1	Mr. Chandir Gidwani	4	Yes
2	Mr. Jaspal Singh Bindra	4	Yes
3	Mr. Rishad Byramjee	4	No
4	Mrs. Mahakhurshid Byramjee	1	Yes
5	Mr. Ramchandra Kasargod Kamath	4	Yes
6	Mr. Rajesh Kumar Srivastava	4	Yes
7	Mr. Rajasekhara Reddy*	2	Yes
8	Mr. Manmohan Shetty	4	No
9	Mr. Subhash Kutte	4	Yes
10	Mr. Narayan Vasudeo Prabhutendulkar	4	Yes
11	Ms. Anjali Seth	4	No
12	Mr. Subrata Kumar Mitra	4	No
13	Mr. Sankaranarayanan Radhamangalam Anantharaman	4	No
14	Mr. Essaji Vahanvati**	2	NA

\* Mr. Rajasekhara Reddy resigned on September 05, 2022.

\*\*Mr. Essaji Vahanvati was appointed on October 14, 2022.



**III COMMITTEES OF THE BOARD:****A. AUDIT COMMITTEE:**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Act.

The important functions of the Audit Committee are enumerated below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of related party transactions.
  - g. Qualifications, if any, in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Scrutiny of inter-corporate loans and investments;
7. Evaluation of internal financial controls and risk management systems;
8. Reviewing with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;
9. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
10. To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
11. To review the functioning of the whistle blower mechanism;
12. Approval of the appointment of a CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

**MEETINGS, COMPOSITION AND ATTENDANCE OF THE AUDIT COMMITTEE:**

The Audit Committee met 6 (six) times during the Financial Year 2022-23. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 30, 2022, July 11, 2022, August 11, 2022, November 09, 2022, February 13, 2023 and March 27, 2023. The requisite quorum was present at all Meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on August 11, 2022.

The Company Secretary acts as the Secretary to the Audit Committee.

The Committee invites executives as it considers appropriate and representatives of the statutory auditors and internal auditors, to be present at its meetings.

The table below provides the attendance of Audit Committee members:

Sr. No.	Name of the Directors	Position	Category	No. of Meetings Attended
1	Mr. Subhash Kutte	Chairman	Independent Director	6
2	Mr. Rishad Byramjee	Member	Non-Executive Director	5
3	Mr. Narayan Vasudeo Prabhutendulkar	Member	Independent Director	6

## B. NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee is constituted in terms of Section 178 of the Act and Regulation 19 of the Listing Regulations.

The important functions of Nomination & Remuneration Committee are enumerated below:

1. Recommend to the Board, the setup and composition of the Board and its committees.
2. Recommend to the Board, the appointment / re-appointment of Directors and Key Managerial Personnel.
3. Support the Board and Independent Directors in the evaluation of performance of the Board, its Committees and Individual Directors.
4. Recommend to the Board, the Remuneration Policy for Directors, Executive Team or Key Managerial Personnel as well as employees.
5. Oversee familiarisation programs for Directors.

### MEETINGS, COMPOSITION AND ATTENDANCE OF THE NOMINATION AND REMUNERATION COMMITTEE:

During the year, the Nomination & Remuneration Committee met 3 (three) times and the required Members were present in the meetings held on April 01, 2022, June 21, 2022 and November 10, 2022. The table below provides the attendance of the Nomination and Remuneration Committee members:

Sr. No.	Name of the Directors	Position	Category	No. of Meetings Attended
1	Mr. Subhash Kutte	Chairman	Independent Director	3
2	Mr. Chandir Gidwani	Member	Non-Executive Director	3
3	Mr. Manmohan Shetty	Member	Independent Director	3

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

### REMUNERATION POLICY:

The Company's remuneration policy aims at attracting and retaining high calibre talent. The remuneration policy, therefore, is market-led and takes into account the competitive circumstances of each business, to attract and retain quality talent and leverage performance significantly. Individual performance pay is determined by business performance and individual performance as measured through the annual appraisal process. The Company pays remuneration by way of salary, benefits, perquisites, allowances (fixed component) and commission/ incentives (variable component).

The Company has framed a Nomination and Remuneration Policy pursuant to Section 178 of the Act. The Policy is provided as an Annexure to the Directors' Report and is also available on the website of the Company [www.centrum.co.in](http://www.centrum.co.in).

### DETAILS OF REMUNERATION OF DIRECTORS (FOR THE YEAR ENDED MARCH 31, 2023):

#### EXECUTIVE DIRECTORS REMUNERATION:

Remuneration to Executive Directors is determined by the Board on the recommendation of the Nomination and Remuneration Committee and is subject to Shareholders' approval.

The Remuneration paid during the Financial Year ended March 31, 2023, to Mr. Jaspal Singh Bindra is as follows:

Particulars	Amount (₹)
Fixed Salary <sup>#</sup>	5,76,00,001
Perquisite (Company leased Accommodation)	1,20,00,000
Committed Bonus	80% of Fixed Salary
Notice Period	3 months
Service Contract*	3 years

\* Mr. Jaspal Singh Bindra has been re-appointed as Executive Chairman with effect from April 21, 2022, for a period of three years. As per the terms of his re-appointment, he is eligible for Car and driver provided by the Company to be used for company's business; Telephone and other communication facilities at residence, earned leave and encashment of earned leave at the end of the tenure.

<sup>#</sup> Leave Travel Allowance shall be payable as per the applicable rules.

#### NON - EXECUTIVE DIRECTORS REMUNERATION:

Non-Executive Directors of the Company are entitled only to sitting fees for the meetings of Board of Directors and/or Committee meetings attended by them. No other remuneration is being paid to them. The Company paid sitting fees of ₹1,00,000/- per meeting to Non-Executive

Directors for attending meetings of the Board and ₹90,000/- per meeting for attending Audit Committee meetings and ₹25,000/- for other Committee meetings.

#### PERFORMANCE EVALUATION:

Performance Evaluation forms containing criteria for evaluation of the Board as a whole, Committees of the Board and Individual Directors and Chairperson of the Company were sent to all Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of the Board as a whole, Committees of Board, Individual Directors & Chairperson of the Company for the Financial Year 2022-23. Further, based on the feedback received by the Company, the Board of Directors at its Meeting held on May 19, 2023, noted that the Annual Performance of each of the Directors, including the Chairman is highly satisfactory and decided to continue the terms of appointment of all the Independent Directors of the Company.

The other disclosures with respect to performance evaluation of the Board as a whole, Committees of the Board and Individual Directors and Chairperson are given in the Corporate Governance Report.

Details of Equity Shares held and sitting fees paid to the Non-Executive Directors during the year ended March 31, 2023 are as follows:

Sr. No.	Name of the Director	Equity Shares held**	*Sitting Fees (₹ in lakhs)
1	Mr. Chandir Gidwani	90,000	4.75
2	Mr. Jaspal Singh Bindra	2,00,000	Nil
3	Mrs. Mahakurshid Byramjee	68,61,120	1.00
4	Mr. Rishad Byramjee	7,43,100	3.80
5	Mr. Rajasekhara Reddy***	Nil	2.00
6	Mr. Manmohan Shetty	Nil	4.75
7	Mr. Subhash Kutte	Nil	10.90
8	Mr. Ramachandra Kasargod Kamath	Nil	4.00
9	Mr. Narayan Vasudeo Prabhutendulkar	Nil	9.40
10	Ms. Anjali Seth	Nil	4.00
11	Mr. Subrata Kumar Mitra	Nil	4.00
12	Mr. Rajesh Kumar Srivastava	Nil	4.00
13	Mr. Sankaranarayanan Radhamangalam Anantharaman	Nil	4.00
14	Mr. Essaji Vahanvati****	Nil	2.00

\* Sitting fees include payments for the Board appointed Committee meetings also.

\*\* Equity shares disclosed above are held in the name of Directors, it does not include equity shares held by their relatives and/or indirectly through Companies /Body Corporates

\*\*\* Mr. Rajasekhara Reddy resigned on September 05, 2022.

\*\*\*\* Mr. Essaji Vahanvati was appointed on October 14, 2022.

The Company has not granted any stock options to any of its Directors. Further, no severance fees are payable on termination of appointment.

Criteria for making payment to Non-Executive Directors is disclosed on the Company's website - [www.centrum.co.in](http://www.centrum.co.in).

#### C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to provisions of Section 178(5) of the Act, read with Regulation 20 of the Listing Regulations, Stakeholders Relationship Committee of the Board has been constituted.

The important functions of the Stakeholder Relationship Committee are enumerated below:

- (1) Resolving grievances of the security holders of the listed entity including complaints related to

transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

#### MEETINGS, COMPOSITION AND ATTENDANCE OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE:

During the year, the Committee met 1 (One) time and required Members were present in the meeting held on February 13, 2023. The table below provides the attendance of the Stakeholders Relationship Committee Members:

Sr. No.	Name	Position	Category	No. of Meetings Attended
1	Mr. Rishad Byramjee	Chairman	Non-Executive Director	1
2	Mr. Subhash Kutte	Member	Independent Director	1
3	Mr. Chandir Gidwani	Member	Non-Executive Director	0
4	Mr. Jaspal Singh Bindra	Member	Executive Chairman	1

The Company Secretary of the Company, Mr Parthasarathy Iyengar acts as the Compliance Officer. He also acts as the Secretary to the Committee.

The Company has appointed Link Intime India Private Limited as the Registrar and Share Transfer Agent. The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services.

The Company and Registrar have received 2 (two) complaints from the shareholders during the Financial Year ended March 31, 2023 and both have been redressed/resolved satisfactorily.

The Company has designated an email id 'cs@centrum.co.in' for registering investor complaints, in compliance with Clause 47(f) of the erstwhile Listing Agreement, which also meets the requirements of the Listing Regulations.

#### D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The role of Corporate Social Responsibility (CSR) Committee in terms of Section 135 of the Act, inter

alia is to monitor and provide strategic direction for fulfilling the Company's Corporate Social Responsibility Policy.

The terms of reference of CSR Committee is as follows:

- (1) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
- (2) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (3) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Company did not have any CSR obligation for the year under review and hence no meetings of the Committee were held during the year under review.

**COMPOSITION OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

As on March 31, 2023, the Corporate Social Responsibility Committee comprises of one Independent Director and two Non-Executive Directors:

Sr. No.	Name	Category	Position
1	Mr. Chandir Gidwani	Non-Executive Director	Chairman
2	Mr. Subhash Kutte	Independent Director	Member
3	Mr. Rishad Byramjee	Non-Executive Director	Member

**E. FUND RAISING COMMITTEE:**

The scope of the Fund Raising Committee is to explore fund raising options available to the Company for raising of funds through further issue of securities.

The Committee met 40 times during the year under review inter alia for allotment of / pre-mature exit of MLDs.

**COMPOSITION OF THE FUND RAISING COMMITTEE:**

As on March 31, 2023, the Fund Raising Committee comprises of one Executive Director and two Non-Executive Directors:

Sr. No.	Name	Category	Position
1	Mr. Chandir Gidwani	Non-Executive Director	Chairman
2	Mr. Jaspal Singh Bindra	Executive Director	Member
3	Mr. Rishad Byramjee	Non-Executive Director	Member

**F. RISK MANAGEMENT COMMITTEE:**

The terms of reference of Risk Management Committee are:

1. To formulate the Risk Management Policy which shall include:
  - a. A framework to assess risks including financial, operational, sectoral, information and cyber security risks;
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks;
  - c. Business continuity plans;
2. To periodically review and adapt the Risk Management Policy with evolving contexts;
3. To lay down processes or procedures to evaluate, monitor and mitigate identified risks;
4. To monitor implementation of the Risk Management Policy including adequacy of controls;
5. Review appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
6. To inform the Board about the nature and content of its discussions, recommendations and actions to be taken;
7. To perform such other functions as the Board may deem fit from time to time.

#### MEETINGS, COMPOSITION AND ATTENDANCE OF THE RISK MANAGEMENT COMMITTEE:

During the year, the Risk Management Committee met 2 (Two) times and required Members were present in the meetings held on September 20, 2022 and March 17, 2023. The table below provides the attendance of the Risk Management Committee Members:

Sr. No.	Name	Category	Position	No of Meetings Attended
1	Mr. Jaspal Singh Bindra	Executive Director	Chairman	2
2	Mr. Subhash Kutte	Independent Director	Member	2
3	Mr. Sriram Venkatasubramanian	Chief Financial Officer	Member	2

#### IV. GENERAL BODY MEETINGS:

Particulars of Annual General Meeting held during the last three years and details of the special resolutions passed are given below:

Financial Year	Day, Date and Time	Venue	No. of Special Resolutions passed
2021-2022	Thursday, August 11, 2022 at 04:30 p.m.	Through Electronic mode [video conference ("VC") or other audio visual means ("OAVM")]	1
2020-2021	Thursday, August 26, 2021 at 03:00 p.m.	Through Electronic mode [video conference ("VC") or other audio visual means ("OAVM")]	0
2019-2020	Friday, September 25, 2020 at 03:30 p.m.	Through Electronic mode [video conference ("VC") or other audio visual means ("OAVM")]	3

#### EXTRA ORDINARY GENERAL MEETING:

During the Financial Year 2022-23, no Extra Ordinary General Meeting of the Members of the Company was held.

#### POSTAL BALLOT:

During the Financial Year 2022-23, 1 (one) Special Resolution was approved by the Shareholders of the Company through the postal ballot process.

The Company appointed Mr. Umesh P Maskeri (Membership No. 4831 CP No. 12704) Practising Company Secretary as the Scrutinizer for conducting the postal ballot process. The postal ballot process was carried out in a fair and transparent manner. E-voting facility was offered to Shareholders. The Company followed the procedure relating to E-voting pursuant to applicable provisions of the Act, read with Rules thereto and the provisions of the Listing Regulations. The results of postal ballot were also posted on the website of the Company - [www.centrum.co.in](http://www.centrum.co.in).

No special resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting of the Company.

The details of the Postal Ballot conducted during the Financial Year 2022-23, are provided herein below:

#### A) Postal Ballot Notice dated November 10, 2022, result whereof was announced on December 20, 2022:

##### SPECIAL RESOLUTION: 1. APPOINTMENT OF MR. ESSAJI VAHANVATI (DIN: 00157299) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes - in favour	No. of votes - against	% of votes in favour on votes polled	% of Votes against on votes polled
41,60,32,740	24,04,43,843	57.7945	24,04,36,779	7,064	99.9971	0.0029

**PROCEDURE FOR POSTAL BALLOT:**

In compliance with Regulation 44 of the Listing Regulations, Sections 108, 110 and other applicable provisions of the Act read with the Rules issued thereunder and General Circular Nos. 14/2020 dated 8 April 2020, 17/2020 dated 13 April 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021 and 3/2022 dated May 5, 2022, issued by the Ministry of Corporate Affairs ("MCA"), the Company provided electronic voting (Remote e-voting) facility to all its members. The Company engaged the services of Central Depository Services (India) Limited ("CDSL") for the purpose of providing electronic voting facility to all its members. The postal ballot notice was sent to the members in electronic form at their email addresses registered with the depositories/ RTA. The Company also published notices in newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act, read with the rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India.

Mr. Umesh P Maskeri (Membership No. 4831 CP No. 12704) Practicing Company Secretary was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

The Scrutinizer submitted his report to the Executive Chairman of the Company, after the completion of scrutiny and the consolidated results of the voting by postal ballot were then announced by the Executive Chairman. The results were displayed on the Company's website at [www.centrum.co.in](http://www.centrum.co.in), and were made available on the websites of the Stock Exchanges and CDSL.

**V. AFFIRMATIONS AND DISCLOSURES:****a. Compliances with Governance Framework**

The Company complies with all mandatory requirements under the Listing Regulations.

**b. Related Party Transactions**

The Company has no materially significant related party transactions that may have a potential conflict with the interest of the Company. The

details of transactions with related parties are given for information under notes to the accounts of the Balance Sheet as on March 31, 2023. The Company has adopted a policy on dealing with Related Party Transactions and the same may be accessed on the Company's website - [www.centrum.co.in](http://www.centrum.co.in).

**c. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three Financial Years.**

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to capital markets during the last three financial years.

**d. Whistleblower Policy**

The Company has a Whistle Blower Policy/ Vigil Mechanism for the employee to report genuine concerns/ grievances. The Policy is uploaded on the Company's website- [www.centrum.co.in](http://www.centrum.co.in). During the year, there were no instances reported to the Audit Committee.

**e. Disclosure of Accounting Treatment**

In preparation of the annual accounts for the Financial Year ended March 31, 2023, the applicable Accounting Standards and Schedule III of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same.

**f. All Mandatory requirements of Listing Regulations have been complied by the Company.****g. Disclosures on Risk Management**

The Company has duly constituted a Risk Management Committee of the Board. The Company has laid down procedures to inform the members of the Board about the risk assessment and minimisation procedures. These procedures have been periodically reviewed to ensure that the Executive Management, controls risk through a properly defined framework. Risk management

issues are discussed in the Management Discussion & Analysis Report.

**h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

The Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). However, members are requested to note that, the Company as per its business requirements from time to time raises funds through issuance of privately placed Market linked Debentures under Section 42 of the Act.

**i. A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.**

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

**j. Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.**

The Board has accepted all the recommendations of any Committee of the Board.

**k. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Total fees for all services (excluding out of pocket expenses) paid by the Company and its subsidiaries on a consolidated basis is ₹ 175.08 Lakhs

**l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

Number of complaints filed during the Financial Year 2022-23 0

Number of complaints disposed off during the Financial Year 2022-23 0

Number of complaints pending as on end of the Financial Year 2022-23 0

**m. Disclosure of Loans and advances in the nature of loans provided by the Company or its subsidiaries to firms/companies in which directors are interested by name and amount:**

The Company has not made any loans or advances in the nature of loans to firms/companies in which Directors are interested during FY 2022-23.

**n. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.**

As on the date of the report there are no outstanding listed MLDs. The last rating was taken by the Company on August 25, 2022 wherein the Company's outstanding Principal Protected Market Linked Debentures (PPMLD) of ₹ 43.14 crores was assigned a rating of BWR PPMLD BBB / Negative (Reaffirmed and Outlook assigned as Negative and resolved Credit Watch with developing implications) by Brickwork Ratings.

**o. Management Discussion and Analysis Report**

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under Regulation 34(3) of the Listing Regulations.

**p. Information to Shareholders**

The information as required under Regulation 34(3) of the Listing Regulations, relating to the Directors proposed to be appointed / re-appointed, is furnished as a part of the Notice convening the Annual General Meeting.

**q. CEO/CFO Certification**

In accordance with the Regulation 17(8) of the Listing Regulations, a certificate from the CEO and CFO was placed before the Board.

**r. Compliance**

A Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in Regulation 34(3) of the Listing Regulations is annexed to the



Directors' Report and forms part of the Annual Report.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as applicable.

Certificate from the Executive Officer stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management is annexed to the Directors' Report and forms part of the Annual Report.

**s. Training of Board Members:**

The Board is equipped to perform its role of business assessment through inputs from time to time. Directors are fully briefed on all business related matters, risk assessment & minimisation procedures, and new initiatives proposed by the Company. Directors are also updated on changes / developments in the domestic / global corporate and industry scenarios including those pertaining to statutes / legislation and economic environment.

Periodic presentations are made at the Board and Committee meetings, on business and performance updates of the Company, business environment, business strategy and risks involved.

**t. Familiarisation Programme for Directors**

The Company believes a Board that is well informed or familiarised, can contribute effectively and significantly to discharge its role of trusteeship to fulfil the shareholder aspirations and societal expectations.

The details of familiarisation programmes for Independent Directors may be accessed on the Company's website - [www.centrum.co.in](http://www.centrum.co.in)

**u. Policy for determining 'material' subsidiaries**

The Company has formulated and adopted a policy for determining material subsidiary companies and the same may be accessed on the Company's website [www.centrum.co.in](http://www.centrum.co.in).

The list of material subsidiaries during the year under review is mentioned under Sr. No. 35 (B) in the Directors' Report.

**v. Disclosure on Unlisted Material Subsidiaries:**

Details of Unlisted Material Subsidiaries for FY 2022-23 are as under:

<b>Name of the Material Subsidiaries</b>	<b>Date of Incorporation</b>	<b>Place of Incorporation</b>	<b>Name of the Statutory Auditor</b>	<b>Date of Appointment/ Re-appointment of Statutory Auditor</b>
Centrum Retail Services Limited	July 31, 2014	Mumbai	A. T. Jain & Co, Chartered Accountants	July 3, 2020
Centrum Financial Services Limited	January 27, 1993	Ahmedabad (presently the registered office of the Company is situated in Mumbai)	Shah & Taparia, Chartered Accountants	October 29, 2021
Centrum Housing Finance Limited	March 03, 2016	Mumbai	Chaturvedi & Co., Chartered Accountants	August 18, 2021
Centrum Microcredit Limited	August 31, 2016	Mumbai	A. T. Jain & Co, Chartered Accountants	November 10, 2021
Centrum Wealth Limited	January 25, 2008	Mumbai	A. T. Jain & Co, Chartered Accountants	August 1, 2019
Unity Small Finance Bank Limited	August 25, 2021	Delhi	V Sankar Aiyar & Co., Chartered Accountants	January 31, 2022
Centrum Broking Limited	May 02, 1994	Mumbai	Bhogilal C. Shah & Co., Chartered Accountants	August 10, 2022

**VI. MEANS OF COMMUNICATION:**

The quarterly/annual financial results are regularly submitted to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) in accordance with the Listing Regulations and normally published in the English newspaper namely "Free Press Journal" and in the regional language newspaper namely "Navshakti". The quarterly/ annual financial results are also regularly posted on the Company's website [www.centrum.co.in](http://www.centrum.co.in).

**VII. GENERAL SHAREHOLDER INFORMATION:****a. Annual General Meeting for FY 2022-23:**

**Date:** Saturday, August 12, 2023

**Time:** 03:00 p.m. India Time

**Venue:** The Company is conducting the meeting through VC/OAVM pursuant to the MCA Circular dated December 28, 2022 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

**b. Financial year :** April 01, 2022, to March 31, 2023.

**c. Dividend Payment Date :** Not Applicable

**d. Listing on Stock Exchanges : 1. BSE Limited (BSE)**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400001.

**2. National Stock Exchange of India Limited (NSE)**

Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East) Mumbai 400051.

**e. Stock code :** BSE – 501150

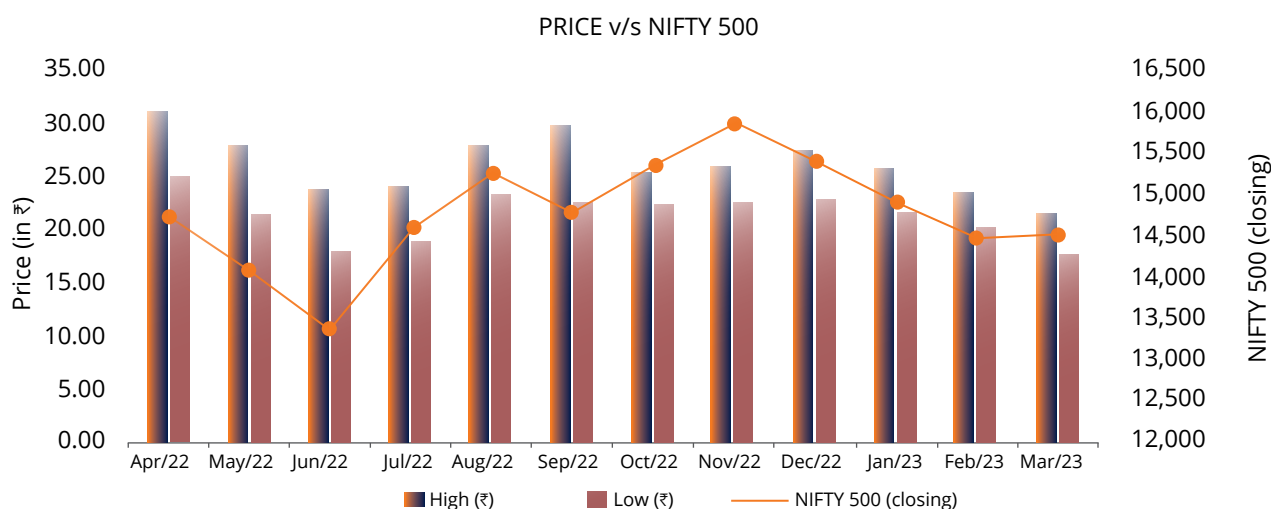
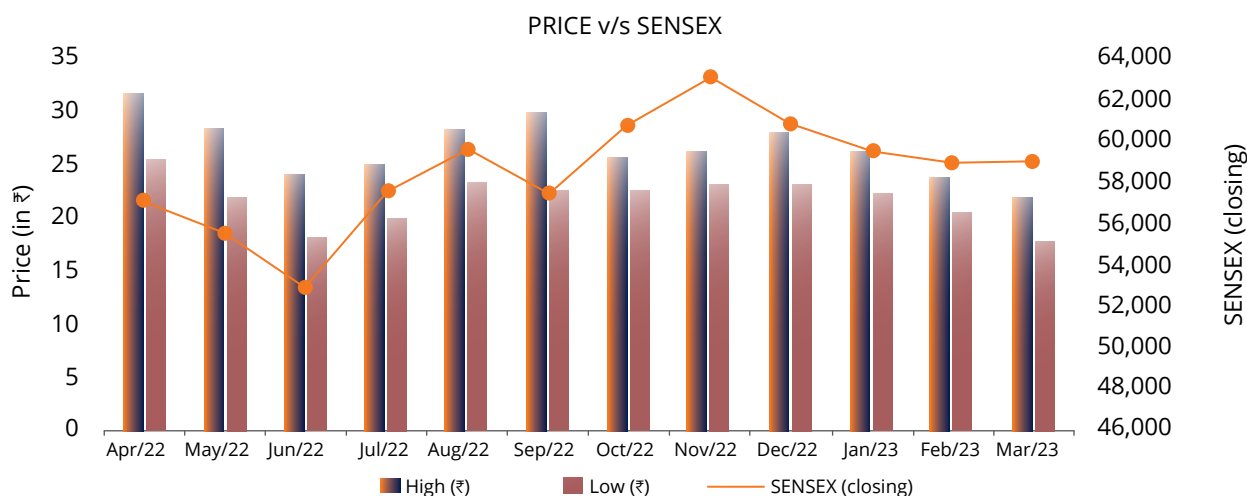
: NSE – CENTRUM

Listing Fees as applicable have been paid.

**f. Market Price Data :** Share prices of the Company for the period of twelve months from April 2022 to March 2023

Month	BSE			NSE		
	High (₹)	Low (₹)	SENSEX	High (₹)	Low (₹)	NIFTY 500
			(closing)			(closing)
Apr-22	31.60	25.50	57,060.87	31.60	25.45	14,783.35
May-22	28.30	21.95	55,566.41	28.40	21.90	14,119.60
Jun-22	24.10	18.20	53,018.94	24.15	18.20	13,387.55
Jul-22	24.95	20.00	57,570.25	24.50	19.25	14,665.65
Aug-22	28.30	23.40	59,537.07	28.30	23.65	15,325.05
Sep-22	29.95	22.75	57,426.92	30.30	23.15	14,829.35
Oct-22	25.70	22.75	60,746.59	25.80	22.80	15,424.00
Nov-22	26.30	23.20	63,099.65	26.40	23.00	15,946.15
Dec-22	27.95	23.30	60,840.74	27.95	23.25	15,448.85
Jan-23	26.15	22.30	59,549.90	26.20	22.05	14,935.50
Feb-23	23.70	20.55	58,962.12	23.80	20.55	14,518.75
Mar-23	21.87	17.86	58,991.52	21.85	17.95	14,557.85

**g. Performance in comparison to broad based indices:**



#### h. Registrar and Transfer Agents and Share Transfer System:

Link Intime India Private Limited  
C-101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai 400 083  
Tel. No. 022 -49186000  
Fax No.: 022 - 49186060  
Email: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, and requests for dematerialisation of shares are processed and the confirmation is given to the depositories within 15 days from the date of lodgement, if the documents are clear in all respects.

The Company Secretary who is also the Compliance Officer verifies the transfer Register sent by the Registrar. Investor grievances, if any, are resolved by the Compliance Officer, failing which, they would be referred to the Stakeholders Relationship Committee.

#### i. Categories of Shareholding as on March 31, 2023:

	Category	No. of Shareholders	No. of fully paid up Equity Shares Held	Percentage of Shareholding
A	Promoter and Promoter Group	3	15,99,15,878	38.44
B	Public	41,789	23,78,94,628	57.18
C	Non Promoter – Non Public	1	1,82,22,234	4.38
C1	Shares Underlying DRs	-	-	-
C2	Shares held by Employee Trusts	1	1,82,22,234	4.38
	<b>TOTAL (A+B+C)</b>	<b>41,793</b>	<b>41,60,32,740</b>	<b>100.00</b>

\*Shareholders with multiple folios are treated as one.

#### j. Distribution of Shareholding as on March 31, 2023:

Sr. No.	Category (Shares)	No. of Shareholders	% of Total Shareholders	No. of Shares held	% of Total Shares
1	1 – 500	29,881	70.13	48,25,085	1.16
2	501 – 1,000	5,290	12.42	44,75,986	1.08
3	1,001 – 2,000	3,044	7.15	48,26,568	1.16
4	2,001 – 3,000	1,278	2.99	33,30,387	0.80
5	3,001 – 4,000	564	1.32	20,72,808	0.50
6	4,001 – 5,000	573	1.35	27,52,658	0.66
7	5,001 – 10,000	954	2.24	72,90,331	1.75
8	10,001 - Above	1,022	2.40	38,64,58,917	92.89
	<b>TOTAL</b>	<b>42,606</b>	<b>100.00</b>	<b>41,60,32,740</b>	<b>100.00</b>

#### k. Dematerialisation of shares:

The shares of the Company are available for dematerialisation and agreements have been signed with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Around 99.61% of the Company's shares are held in dematerialised mode. Trading in dematerialised form is compulsory for all investors. The Company (through its Registrar and Share Transfer Agents) provides the facility of simultaneous transfer and dematerialisation of shares and has confirmed the same to NSDL and CDSL.

There are no shares lying in the demat suspense Account and unclaimed suspense Account.

#### k. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments as on March 31, 2023, as such instruments have not been issued in the past.

**I. Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

**2. Registrar and Share Transfer Agent:**

**Link Intime India Private Limited**

Unit: Centrum Capital Limited  
C-101, 247 Park LBS Road,  
Vikhroli (West) Mumbai 400 083  
Tel No: 022 - 49186000  
Fax No.: 022 - 49186060  
Email: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in);

**VIII. Address for Correspondence:**

**1. To the Company:**

**Registered and Corporate Office:**

Level - 9, Centrum House, C.S.T. Road,  
Vidyanagari Marg, Kalina, Santacruz (East),  
Mumbai - 400098  
Tel No.: 022 - 42159000;  
Email: [info@centrum.co.in](mailto:info@centrum.co.in);  
[secretarial@centrum.co.in](mailto:secretarial@centrum.co.in)

**For and on Behalf of the Board of Directors**  
For **Centrum Capital Limited**

**Jaspal Singh Bindra**  
Executive Chairman  
DIN: 00128320

Place: Mumbai  
Date: May 19, 2023

## **Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To the Members of Centrum Capital Limited

1. This Certificate is issued in accordance with the terms of our engagement letter.
2. We have examined the compliance of conditions of Corporate Governance by Centrum Capital Limited (the 'Company'), for the year ended on 31<sup>st</sup> March, 2023, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the 'Listing Regulations') pursuant to the Listing Agreement of the Company with the Stock Exchanges.

### **Management's Responsibility**

3. The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

### **Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and the Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the 'ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 (the 'Act'), in so far as applicable for the purpose of this Certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, *Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements*, issued by the ICAI.

### Opinion

8. Based on our examination, as above, and to the best of the information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2023.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### Restriction on Use and distribution

10. The Certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care to any other person or for any other purpose to whom this Certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any event or circumstances occurring after the date of this Certificate.

**SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No.109982W  
by the hand of

**Edwin Paul Augustine**

Partner  
Membership No. 043385  
UDIN: 23043385BGPJRK9814  
Mumbai, 19<sup>th</sup> May, 2023

# Nomination and Remuneration Policy

## BACKGROUND

Section 178 of the Companies Act, 2013 (“the Act”) and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), as amended from time to time, read with Part D of Schedule II of the Listing Regulations, requires the Nomination and Remuneration Committee (“NRC” / “the Committee”) to formulate a policy relating to the remuneration for the Directors, Key Managerial Personnel (“KMPs”), Senior Management and other employees of Centrum Capital Limited (“the Company”) and recommend the same for approval of the Board. Further, Section 178(4) of the Act stipulates that such policy is required to be disclosed in the Board’s Report.

Section 134 of the Act stipulates that the Board’s Report is required to include a statement on Company’s policy on Directors’ appointment and remuneration including criteria for determining qualifications, positive attributes, independence of directors and remuneration for KMPs and other employees.

Accordingly, the Board of Directors of the Company constituted the NRC at the Meeting held on August 28, 2014 with immediate effect, consisting of three (3) Non-Executive Directors of which not less than one half are the Independent Directors. The Chairman of the Committee is an Independent Director.

## 1. OBJECTIVE & APPLICABILITY

### The objective of this Policy is:

1. To formulate the criteria for determining qualifications, positive attributes required for appointment of Directors, Key Managerial Personnel and Senior Management and also the criteria for determining the independence of a Director.
2. To provide the framework for tenure, removal/retirement of Directors, Key Managerial Personnel and Senior Management.
3. To provide the framework for determining remuneration (fixed and performance linked) payable to the Directors, Key Managerial Personnel and Senior Management.

4. To provide the framework for evaluation of the performance of the Board and its constituents.

### The Key Objectives of the NRC shall be:

1. To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
3. To provide to Key Managerial Personnel and Senior Management rewards linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
4. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
5. To devise a policy on Board diversity
6. To develop a succession plan for the Board and to regularly review the plan

## 2. DEFINITIONS

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

“Board of Directors” or “Board” means the Board of Directors of Centrum Capital Limited as constituted/re-constituted from time to time.

“Company” means Centrum Capital Limited.

“Directors” mean Directors of the Company.

“Key Managerial Personnel” or “KMP” means Key Managerial Personnel as defined under the provisions of the Companies Act, 2013 from time to time.

“Nomination and Remuneration Committee” or “Committee” means the Committee of the Board constituted/re-constituted under the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Companies Act, 2013 as in force from time to time.



“Policy” or “this Policy” means Nomination and Remuneration Policy.

“Senior Management” means officers one level below the Executive Directors on the Board.

### 3. ROLE OF NRC

#### 3.1. Matters to be dealt with, perused and recommended to the Board by the NRC

The Committee shall:

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

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

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

3.1.4. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

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

##### 3.2.1. Appointment criteria and qualifications

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

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

Appointment of Independent Directors is subject to the provisions of Section 149 of the Act read with Schedule IV and rules thereunder and the Listing Regulations. The NRC shall check that

the proposed person satisfies the criteria of independence as stipulated under Section 149(6) of the Act and the Listing Regulations, before his/her appointment as an Independent Director.

No person shall be appointed as a Director, if he/she is subject to any disqualifications as stipulated under the Act or any other law(s) for the time being in force.

- b) A person shall possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position. In evaluating the suitability of individual Board members, the Committee considers many factors, including general understanding of marketing, finance, operations, management, public policy, legal, governance and other disciplines. The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company's business and represent stakeholders' interests through the exercise of sound judgment, using its diversity of experience.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years. No re-appointment of a Whole-time Director shall be made earlier than one year before the expiry of the current term.

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

##### 3.2.2. Term / Tenure

###### a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term

not exceeding Three/Five years at a time. As mentioned above, no re-appointment shall be made earlier than one year before the expiry of the current term.

**b) Independent Director:**

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

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

**3.2.3. Evaluation**

The Company shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

**A. Senior Management/ KMPs/ Employees**

The Human resource ("HR") Department shall carry out the evaluation of the senior management/

KMPs/ employees, every year ending March 31<sup>st</sup>, with the Department Head(s)/ Management concerned. Key Responsibility Areas ("KRAs") shall be identified well in advance. Performance benchmarks shall be set and evaluation of employees shall be done by the respective reporting Manager(s)/ Management to determine whether the set performance benchmarks are achieved. The payment of remuneration/annual increment to the aforementioned persons shall be determined after the satisfactory completion of evaluation process.

The HR Department of the Company is authorized to design the framework for evaluating the EDs/ KMPs/Senior Management Personnel/Employees.

The objective of carrying out the evaluation by the Company shall be to identify and reward those with exceptional performances during any financial year. Training and Development Orientation programs on a need basis shall be provided to employees, whose performance during any financial year does not meet the benchmark criteria.

**3.2.4. Removal**

Due to reasons of any disqualification mentioned in the Act or under any other applicable Acts, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**3.2.5. Retirement**

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

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

**3.3.1. General:**

- a) NRC while determining the criteria for remuneration for Directors, KMPs/Senior Management and other employees ensures that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate personnel of the quality required to run the Company successfully;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - remuneration to Directors, KMPs and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- b) The remuneration / compensation / commission etc. to the Whole-time Directors, KMPs and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/ post approval of the shareholders of the Company as per the provisions of the Act read with applicable clauses of the Listing Regulations, if any.
- c) The remuneration and commission to be paid to the Whole-time Directors shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- d) Increment to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Directors and Managing Director.
- e) Where any insurance is taken by the Company on behalf of its Whole-time Directors, the Chief Executive Officer, the Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### 3.3.2. Remuneration to Whole-time Directors, KMPs and Senior Management Personnel:

#### a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as approved by the Board/

Committee, as the case may be. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ Committee/ the Person authorized by the Board/ Committee and approved by the shareholders, wherever required.

#### b) Variable pay:

Variable Pay shall be linked to assessment of performance and potential. This would be based on Key Result Areas (KRAs), Standards of Performance and achievement of targets with overall linkage to company Budgets and business/ functional targets/objectives.

Depending on the nature of the business/function, the risk involved, the time horizon for review of quality and longevity of the assignments performed, various forms of Variable Pay may be applicable. The incentive compensation may include Stock Appreciation Rights (SARs) or Employee Stock Options (ESOPs) that would be structured, variable incentives, linked to stock price of the Company, payable over a period of time.

#### c) Minimum Remuneration:

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

#### d) Provisions for excess remuneration:

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

### 3.3.3. Remuneration to Non- Executive / Independent Director:

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

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

Within the parameters prescribed by law, the payment of sitting fees and commission shall be recommended by the NRC and approved by the Board.

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

Overall remuneration practices shall be consistent with recognised best practices.

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

#### 4. NOMINATION DUTIES

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

- 4.1 Ensuring that there is an appropriate induction in place for new Directors and reviewing its effectiveness;
- 4.2 Ensuring that on appointment to the Board, the Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 4.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 4.4 Determining the appropriate size, diversity and composition of the Board;
- 4.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 4.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 4.7 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 4.8 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 4.9 Recommending any necessary changes in the Policy to the Board; and
- 4.10 Considering any other matters, as may be requested by the Board.

#### 5. REMUNERATION DUTIES

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

- 5.1 to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate regarding all elements of the remuneration of the members of the Board.
- 5.2 to approve the remuneration of the Senior Management including key managerial personnel of the Company, in line with the Policy, maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 5.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 5.4 to consider any other matters as may be requested by the Board.

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

## **6. MINUTES OF COMMITTEE MEETING**

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

## **7. APPLICABILITY TO SUBSIDIARIES**

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

## **8. REVIEW AND AMENDMENT**

1. The NRC or the Board may review the Policy annually or earlier when it deems necessary.

2. The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement for better implementation to this Policy, if it thinks necessary.

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

## **9. COMPLIANCE RESPONSIBILITY**

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

## **10. DISCLOSURES**

The Company shall disclose this Policy on its website and a web link thereto shall be provided in the Annual Report.

Annexure F

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third provision thereto**

### 1. Details of contracts or arrangements or transactions not at arm's length basis

#### 1. The details of contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

Sr. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ Transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first provision to Section 188
1	Unity Small Finance Bank Limited, Subsidiary	Corporate Guarantee	FY 2022-23	Corporate Guarantee of ₹ 9,463.98 lakhs outstanding as on March 31, 2023 given by the Holding Company as part of the sanctioned terms and condition stipulated by Banks /Financial Institution	To enable the subsidiaries to obtain loans/ borrowing facilities at favourable terms, it is inherent and therefore becomes necessary, incumbent and in the ordinary course, to support their fund raising activities to enable them borrow from the lenders at competitive rates for its business. Normally, the Company does not charge any commissions to the subsidiaries for providing such corporate guarantee(s) to support their fund raising.	February 11, 2022	Nil	August 11, 2022
2	Centrum Broking Limited, Subsidiary	Corporate Guarantee	FY 2022-23	Corporate Guarantee of ₹ 15,000 lakhs outstanding as on March 31, 2023 given by the Holding Company as part of the sanctioned terms and condition stipulated by Banks /Financial Institution	To enable the subsidiaries to obtain loans/ borrowing facilities at favourable terms, it is inherent and therefore becomes necessary, incumbent and in the ordinary course, to support their fund raising activities to enable them borrow from the lenders at competitive rates for its business. Normally, the Company does not charge any commissions to the subsidiaries for providing such corporate guarantee(s) to support their fund raising.	February 11, 2022	Nil	August 11, 2022
3	Centrum Housing Finance Limited, Subsidiary	Corporate Guarantee	FY 2022-23	Corporate Guarantee of ₹ 46,800 lakhs outstanding as on March 31, 2023 given by the Holding Company as part of the sanctioned terms and condition stipulated by Banks /Financial Institution	To enable the subsidiaries to obtain loans/ borrowing facilities at favourable terms, it is inherent and therefore becomes necessary, incumbent and in the ordinary course, to support their fund raising activities to enable them borrow from the lenders at competitive rates for its business. Normally, the Company does not charge any commissions to the subsidiaries for providing such corporate guarantee(s) to support their fund raising.	February 11, 2022	Nil	August 11, 2022
4	Centrum Retail Services Limited, Subsidiary	Corporate Guarantee	FY 2022-23	Corporate Guarantee of ₹ 1,405 lakhs outstanding as on March 31, 2023 given by the Holding Company as part of the sanctioned terms and condition stipulated by Banks /Financial Institution	To enable the subsidiaries to obtain loans/ borrowing facilities at favourable terms, it is inherent and therefore becomes necessary, incumbent and in the ordinary course, to support their fund raising activities to enable them borrow from the lenders at competitive rates for its business. Normally, the Company does not charge any commissions to the subsidiaries for providing such corporate guarantee(s) to support their fund raising.	Not Applicable	Nil	Not Applicable
5	Centrum Alternatives LLP, Subsidiary	Corporate Guarantee	FY 2022-23	Corporate Guarantee of ₹ 22.42 lakhs outstanding as on March 31, 2023 given by the Holding Company as part of the sanctioned terms and condition stipulated by Banks /Financial Institution	To enable the subsidiaries to obtain loans/ borrowing facilities at favourable terms, it is inherent and therefore becomes necessary, incumbent and in the ordinary course, to support their fund raising activities to enable them borrow from the lenders at competitive rates for its business. Normally, the Company does not charge any commissions to the subsidiaries for providing such corporate guarantee(s) to support their fund raising.	Not Applicable	Nil	Not Applicable

The amount of Corporate Guarantee(s) specified above are the amounts outstanding as on March 31, 2023. Please refer to Note 43 forming part of the Standalone Financial Statements for changes in the amount(s) of Corporate Guarantees given/satisfied during the Financial Year.

## 2. Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2023, are as follows:

Sr. No	Name(s) of the related party & Nature of relationship	Nature of transactions	Transactions Value (₹ in Lakhs) Aggregate	Duration of transactions	Salient terms of transactions	Date of approval/ noting by the Board	Amount paid in advance (₹)
1	Centrum Wealth Limited, Subsidiary	Market Linked Non-convertible Debentures Issued	11,949.59	01.04.2022 to 31.03.2023	Market Linked Debentures issued as per the terms and conditions contained in the transaction documents for the Issuance.	July 13, 2022	Nil
2	Centrum Wealth Limited, Subsidiary	Market Linked Non-convertible Debentures Redeemed	12,435.96	01.04.2022 to 31.03.2023	Market Linked Debentures redeemed in accordance with the terms and conditions contained in the transaction documents for the Issuance.	July 13, 2022	Nil

For and on Behalf of the Board of Directors  
For **Centrum Capital Limited**

**Jaspal Singh Bindra**  
Executive Chairman  
DIN: 00128320

Place: Mumbai  
Date: May 19, 2023

Annexure G

# FORM NO. MR.3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,  
The Board of Directors  
**Centrum Capital Limited**  
Level -9, Centrum House, C.S.T. Road  
Vidyanagari Marg, Kalina, Santacruz (East)  
Mumbai – 400098

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Centrum Capital Limited** (hereinafter called “the Company”) incorporated on November 18, 1977, having CIN L65990MH1977PLC019986 and Registered Office and Corporate office at Level -9, Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz East, Mumbai, for the Financial Year ended on March 31, 2023. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2023, according to the provisions of:

(i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;

- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



- (f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR")

I have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the Company for the compliances under the applicable Acts/laws and regulations to the Company.

The following regulations are specifically applicable to the Company:

- a) The Securities and Exchange Board of India (Merchant Banking) Regulations, 2011
- b) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- c) The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
- d) The Securities and Exchange Board of India (Underwriters) Regulations, 1993
- e) Securities and Exchange Board of India (Intermediaries) Regulations, 2008
- f) Prevention of Money Laundering Act, 2002
- g) Sexual Harassment of Women at workplace (Prevention, prohibition and Redressal) Act, 2013

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreement entered into by the Company with BSE Limited
- (iii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited.
- (iv) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review:

The Board of Directors of the Company has passed a resolution on November 10, 2022, to change the situation of the Registered Office within the local limits of the City from "Bombay Mutual Building, 2<sup>nd</sup> Floor, D. N. Road, Fort, Mumbai - 400001" to "Level - 9, Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai - 400098" pursuant to the provisions of Section 12 of the Companies Act, 2013.

The members of the Company have passed the following resolutions:

### 1. Postal Ballot evoting for which closed on April 02, 2022:

#### Special Resolution:

Re-appointment of Mr. Jaspal Singh Bindra (DIN: 00128320) as an Executive Chairman of the Company for a period of three years from April 21, 2022 to April 20, 2025 pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Rules framed there under.

### 2. Annual General Meeting held on August 11, 2022 :

#### i) Special Resolution

Raising of funds through issue of securities subject to approval of the regulatory and/or statutory authorities as applicable pursuant to the provisions of Sections 23, 42, 62 and 179 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, including any amendments, statutory modification(s) and / or re-enactment thereof for the time being in force) (the "Companies Act"), all other applicable laws, rules and regulations, the Foreign Exchange Management Act, 1999 for a total amount of ₹ 500 crores.

#### ii) Ordinary Resolution:

Material Related Party Transaction(s) of the Company with respect to corporate guarantee(s) in relation to the borrowing facilities of subsidiaries pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder for a sum of ₹ 200 crore

### iii) Ordinary Resolution

Material Related Party Transaction(s) of the Company for debt granted to/received from subsidiary of the company pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder for a sum of ₹ 200 crore

### iv) Ordinary Resolution

Material Related Party Transaction(s) of inter-se between subsidiaries of the company for providing / availing debt pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder for a sum of ₹ 200 crore

### v) Ordinary Resolution

Material Related Party Transaction(s) for investment by subsidiary company in the debt securities of Unity Small Finance Bank Limited, subsidiary of the company pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder for a sum of ₹ 200 crore.

### vi) Ordinary Resolution

Material Related Party Transaction(s) of the Company for granting debt by one subsidiary to another subsidiary of the company pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder for a sum of ₹ 200 crore

### vii) Ordinary Resolution

Material Related Party Transaction(s) of the Company with any of its subsidiaries/associates or between 2 subsidiaries/associates inter-se pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder

## 3. Postal Ballot evoting for which closed on December 20, 2022

### i) Special Resolution

Appointment of Mr. Essaji Vahanvati (DIN: 00157299) as an Independent Director of the Company

### ii) Ordinary Resolution

Material Related Party Transaction in connection with the sale of an Identified Portfolio of Housing Loans and Loan Against Property of Unity Small Finance Bank Limited, Step-Down Subsidiary of the Company to Centrum Housing Finance Limited, subsidiary of the Company

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. except in respect of the following matters :

1. Non-disclosure of line items in financial statements in respect of debt securities pursuant to Regulation 52(4) of SEBI LODR, for which BSE has imposed a fine of ₹ 29,000 and the company has paid the said amount on September 29, 2022.
2. Delay in intimation of notice of Record date for debt securities pursuant to Regulation 60(2) of SEBI LODR, for which BSE has imposed a fine of ₹ 20,000 and the company has paid the said amount on December 05, 2022.

I further report that:

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

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

Majority decisions are carried through and recorded as part of the minutes-All the resolutions were passed unanimously.

I further report that based on review of compliance mechanism established by the Company, I am of the

opinion that the Company has adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**UMESH PARAMESHWAR MASKERI**

PRACTICING COMPANY SECRETARY

COP No. 12704 FCS No 4831

ICSI Peer Review Certificate No 653/2020

ICSI UDIN F004831E000333929

Place: Mumbai

Date: May 19, 2023

**Note:**

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

To  
The Members  
**Centrum Capital Limited**  
Level -9, Centrum House, C.S.T. Road  
Vidyanagari Marg, Kalina, Santacruz (East)  
Mumbai – 400098

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**UMESH PARAMESHWAR MASKERI**  
PRACTICING COMPANY SECRETARY  
FCS No 4831 COP No. 12704  
ICSI Peer Review Certificate No 653/2020

Place: Mumbai  
Date: May 19, 2023

**FORM NO. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Centrum Broking Limited (CN)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Centrum Broking Limited (CN)** (CIN: U67120MH1994PLC078125) (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances to express our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for

compliance to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time: -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not Applicable to the Company;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable to the Company;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable to the Company;
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not Applicable to the Company;
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable to the Company;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not Applicable to the Company;
  - (h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable to the Company;

- (i) The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992;
  - (j) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020;
  - (k) The Securities and Exchange Board of India (Research Analysts) Regulations, 2014;
  - (l) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) The Company has complied with the provisions of the applicable general laws, rules, regulations and guidelines.

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- (ii) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 to the extent applicable to the Company

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### We further report that

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

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

The minutes of the Board Meetings and Committee Meetings have not identified any dissent by members of

the Board/Committee of the Board, hence we have no reason to believe that the decisions by the Board were not approved by all the directors present. The Minutes of the Board Meetings and Committee Meetings were duly approved at the meeting by the Chairman of the Meeting.

**We further report that** there are adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**We further report that** during the audit period, following specific events/actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. Approval of the Shareholders of the Company was obtained at the Annual General Meeting of the Company held on 10<sup>th</sup> August, 2022 to avail/continue to avail, Corporate Guarantee(s) in favour of any Bank(s) / other lending institution(s) in respect of the loans/credit facilities availed/to be availed by the Company up to an aggregate limit not exceeding ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crores), during the Financial Year 2022-23.

**ALWYN JAY & Co.**  
Company Secretaries

**Office Address :** [ Jay D'Souza FCS.3058 ]  
Annex-103, Dimple Arcade, (Partner)  
Asha Nagar, Kandivali (East), [Certificate of Practice  
Mumbai 400101. No.6915]  
**[UDIN : F003058E000191158]**

Place : Mumbai  
Date : 25<sup>th</sup> April, 2023

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

To  
The Members,  
**Centrum Broking Limited (CN)**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **Centrum Broking Limited (CN)** (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further, part of the verification was done on the basis of electronic data provided to us by the Company and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**ALWYN JAY & Co.**  
Company Secretaries

**Office Address :**  
Annex-103, Dimple Arcade,  
Asha Nagar, Kandivali (East),  
Mumbai 400101.

Place : Mumbai  
Date : 25<sup>th</sup> April, 2023

**[ Jay D'Souza FCS.3058 ]**  
(Partner)  
[Certificate of Practice No.6915]  
[UDIN : F003058E000191158]

## FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Centrum Financial Services Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Centrum Financial Services Limited** (CIN: U65910MH1993PLC192085) (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct, statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2023**, complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2023** in accordance with the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **as applicable**;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), **as amended from time to time - As applicable to the Company with respect to its listed debentures -**

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable to the Company**;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company**;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable to the Company**;
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable to the Company**;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company**;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company**;
- i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.



(vi) Other specific business/industry related laws applicable to the Company - The Company has complied with the Reserve Company of India Act, 1934, Non-Companying Financial Company Systematically Important Non-Deposit taking Company (Reserve Company) Directions, 2016, Non-Companying Financial Companies Auditor's Report (Reserve Company) Directions, 2016, Non-Companying Financial Company Returns (Reserve Company) Directions, 2016 and the other applicable general laws, rules, regulations and guidelines.

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **to the extent applicable to Listed Non-convertible Debentures.**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

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

The minutes of the Board meetings and Committee Meetings have not identified any dissent by members of the Board /Committee of the Board respectively hence we have no reason to believe that the decisions by the Board were not approved by all the directors/members present. The Minutes of the Board meetings and Committee meetings were duly approved at the meeting by the Chairman of the meeting.

**We further report that**, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded

appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**We further report that** during the audit period the following events / actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. Approval of the Board of Directors of the Company was obtained at the Meeting held on 30<sup>th</sup> May, 2022 for investment in an Alternate Investment Fund of an amount upto ₹ 2.5 Crores in one or more tranches.
2. Approval of the Board of Directors of the Company was obtained at the Meeting held on 9<sup>th</sup> August, 2022 for:
  - (a) the sale of Series 1 and Series 2 Warrants held in Unity Small Finance Company Limited of an amount upto ₹ 25 Crores each in whole or in tranches to JBCG Advisory Service Private Limited (Promoter Group Company of Centrum Capital Limited).
  - (b) the borrowing upto limit of ₹ 35 Crores from Centrum Capital Limited/ Centrum Retail Services Limited.
3. The Reserve Company of India had granted a Certificate of Registration as a Core Investment Company (CIC) to the Company on 9<sup>th</sup> September, 2022 for Conversion of the Company from NBFC - Non-Deposit taking Systemically Important to Core Investment Company Non-Deposit taking Systemically Important Institution.
4. Approval of the Shareholders was obtained at the Extra Ordinary General Meeting held on 6<sup>th</sup> March, 2023 to amend the Object Clause of the Memorandum of Association of the Company.

**ALWYN JAY & Co.**  
Company Secretaries

**Office Address :**

Annex-103, Dimple Arcade,  
Asha Nagar, Kandivali (East),  
Mumbai 400101.

**[ Jay D'Souza FCS.3058 ]**

(Partner)

[Certificate of Practice  
No.6915]

**[UDIN : F003058E000289542]**

Place : Mumbai

Date : 11<sup>th</sup> May, 2023

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

To

The Members,

**Centrum Financial Services Limited**

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **Centrum Financial Services Limited** (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further part of the verification was done on the basis of electronic data provided to us by the Company and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**ALWYN JAY & Co.**  
Company Secretaries

**Office Address :**

Annex-103, Dimple Arcade,  
Asha Nagar, Kandivali (East),  
Mumbai 400101.

Place : Mumbai

Date : 11<sup>th</sup> May, 2023

**[ Jay D'Souza FCS.3058 ]**

(Partner)

[Certificate of Practice No.6915]

[UDIN : F003058E000289542]

**FORM NO. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Centrum Retail Services Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Centrum Retail Services Limited** (CIN: U74999MH2014PLC256774) (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct, statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2023**, complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 in accordance with the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder - **Not Applicable to the Company;**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **as applicable;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), **as amended from time to time:**
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable to the Company;**
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable to the Company;**
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company;**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable to the Company;**
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- **Not Applicable to the Company;**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable to the Company;**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company;**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company;**

- i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 - **Not applicable to the Company.**
- (vi) The Company has complied with the provisions of the applicable general laws, rules, regulations and guidelines.

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **to the extent applicable to the Company.**

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

1. *The Chief Financial Officer (a Whole Time Key Managerial Personnel) of the Company resigned on 1<sup>st</sup> July, 2021. As per the provisions of Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company were required to fill up the vacancy of Chief Financial Officer within a period of six months from the date of such vacancy. The Company has appointed Mr. Amitkumar Rajput as Chief Financial Officer on 23<sup>rd</sup> January, 2023.*

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

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

The minutes of the Board meetings and Committee Meetings have not identified any dissent by members of the Board /Committee of the Board respectively hence we have no reason to believe that the decisions by the Board were not approved by all the directors/members present. The Minutes of the Board meetings and Committee meetings were duly approved at the meeting by the Chairman of the meeting.

**We further report that**, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**We further report that** during the audit period the following events / actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. Approval of the Board of Directors of the Company, at its meeting held on 24<sup>th</sup> May, 2022, was obtained to create, offer, issue and allot further issue of securities under the provisions of Section 42, 62, 71 of the Companies Act, 2013 on private placement or preferential allotment basis or rights Issue of an aggregate amount not exceeding ₹ 500 Crores in one or more tranches.
2. Approval of the Shareholders was obtained at the Annual General Meeting held on 11<sup>th</sup> August, 2022 to create, offer, issue and allot further issue of securities under the provisions of Section 42, 62, 71 of the

Companies Act, 2013 on private placement or preferential allotment basis or rights Issue of an aggregate amount not exceeding ₹ 500 Crores in one or more tranches.

3. During the financial year ended March 31, 2023, the Company allotted 22,504 Secured, Unlisted, Unrated, Redeemable, Non-Convertible Principle Protected Market Linked Debentures of face value ₹ 1,00,000/- each in various tranches and at various dates from time to time, based on the applications accepted and allotted by the Fund-Raising Committee of the Company.
4. During the financial year ended March 31, 2023, the Company allotted 5,090 Secured, Unlisted, Unrated, Redeemable, Non-Convertible Debentures of face value ₹ 1,00,000/- each in various tranches and at various dates from time to time, based on the applications accepted and allotted by the Fund-Raising Committee of the Company.
5. During the financial year ended March 31, 2023, the Company redeemed 7,335 Secured, Unlisted, Unrated, Redeemable, Non-Convertible Principle Protected Market Linked Debentures of face value ₹ 1,00,000/- each on or before the due date(s) as specified in the transaction documents for the subject series.

**ALWYN JAY & Co.**  
Company Secretaries

**Office Address :**

Annex-103, Dimple Arcade,  
Asha Nagar, Kandivali (East),  
Mumbai 400101.

Place : Mumbai

Date : April 27, 2023

**[ Jay D'Souza FCS.3058 ]**

(Partner)

[Certificate of Practice No.6915]

[UDIN : F003058E000212344]

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

To  
The Members,  
**Centrum Retail Services Limited**

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **Centrum Retail Services Limited** (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further part of the verification was done on the basis of electronic data provided to us by the Company and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**ALWYN JAY & Co.**  
Company Secretaries

**Office Address :**  
Annex-103, Dimple Arcade,  
Asha Nagar, Kandivali (East),  
Mumbai 400101.

Place : Mumbai  
Date : April 27, 2023

**[ Jay D'Souza FCS.3058 ]**  
(Partner)  
[Certificate of Practice No.6915]  
[UDIN : F003058E000212344]

**FORM NO. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Centrum Wealth Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Centrum Wealth Limited** (CIN: U65993MH2008PLC178252) (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances to express our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2023** complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **as applicable**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **as amended from time to time**: -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable to the Company**;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable to the Company**;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not Applicable to the Company**;
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable to the Company**;
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company**;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable to the Company**;
  - (h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not Applicable to the Company**;
  - (i) The SEBI (Mutual Funds) Regulations, 1996;
  - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(vi) Other specific business/industry related laws applicable to the Company:

The Company has complied with the provisions of Insurance Regulatory and Development Authority (IRDA) Act, 1999, Regulations and Guidelines by The Association of Mutual Funds in India (AMFI) and the applicable general laws, rules, regulations and guidelines.

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- (ii) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 **to the extent applicable to the Company.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **We further report that**

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

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

The minutes of the Board Meetings and Committee Meetings have not identified any dissent by members of the Board/Committee of the Board, hence we have no reason to believe that the decisions by the Board were not approved by all the directors present. The Minutes of the Board Meetings and Committee Meetings were duly approved at the meeting by the Chairman of the Meeting.

**We further report that** there are adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**We further report that** during the audit period, no specific events/actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards.

**ALWYN JAY & Co.**  
Company Secretaries

**Office Address :** [ Jay D'Souza FCS.3058 ]  
Annex-103, Dimple Arcade, (Partner)  
Asha Nagar, Kandivali (East), [Certificate of Practice  
Mumbai 400101. No.6915]

**[UDIN : F003058E000201674]**

Place : Mumbai  
Date : April 26, 2023

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



To  
The Members,  
**Centrum Wealth Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **Centrum Wealth Limited** (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further, part of the verification was done on the basis of electronic data provided to us by the Company and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**ALWYN JAY & Co.**  
Company Secretaries

**Office Address :**  
Annex-103, Dimple Arcade,  
Asha Nagar, Kandivali (East),  
Mumbai 400101.

Place : Mumbai  
Date : April 26, 2023

**[ Jay D'Souza FCS.3058 ]**  
(Partner)  
[Certificate of Practice No.6915]  
[UDIN : F003058E000201674]

Annexure H

**REMUNERATION DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**i. RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES' REMUNERATION FOR FY 2022-23 AND PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR AND KEY MANAGERIAL PERSONNEL:**

Name	Designation	Ratio of remuneration to median employees' remuneration in FY2022-23	% increase in remuneration in FY 2022-23
Mr. Jaspal Singh Bindra	Executive Chairman	38.52:1	39.20
Mr. Chandir Gidwani	Non-Executive Director	0.25:1	Not Applicable <sup>5</sup>
Mrs. Mahakhurshid Byramjee	Non-Executive Director	0.05:1	Not Applicable <sup>5</sup>
Mr. Rishad Byramjee	Non-Executive Director	0.21:1	Not Applicable <sup>5</sup>
Mr. Rajesh Kumar Srivastava	Non-Executive Director	0.22:1	Not Applicable <sup>5</sup>
Mr. Ramachandra Kasargod Kamath	Non-Executive Director	0.22:1	Not Applicable <sup>5</sup>
Ms. Anjali Seth	Non-Executive Independent Director	0.22:1	Not Applicable <sup>5</sup>
Mr. Essaji Vahanvati <sup>1</sup>	Non-Executive Independent Director	0.10:1	Not Applicable <sup>5</sup>
Mr. Manmohan Shetty	Non-Executive Independent Director	0.26:1	Not Applicable <sup>5</sup>
Mr. Narayan Vasudeo Prabhutendulkar	Non-Executive Independent Director	0.51:1	Not Applicable <sup>5</sup>
Mr. Subhash Kutte	Non-Executive Independent Director	0.59:1	Not Applicable <sup>5</sup>
Mr. Subrata Kumar Mitra	Non-Executive Independent Director	0.22:1	Not Applicable <sup>5</sup>
Mr. Sankaranarayanan Radhamangalam Anantharaman	Non-Executive Independent Director	0.22:1	Not Applicable <sup>5</sup>
Mr. Rajasekhara Reddy <sup>2</sup>	Non-Executive Independent Director	0.11:1	Not Applicable <sup>5</sup>
Mr. Sriram Venkatasubramanian	Chief Financial Officer	-	11.61
Mr. Balakrishna Kumar <sup>3</sup>	Company Secretary	-	Not Applicable
Mr. Parthasarathy Iyengar <sup>4</sup>	Company Secretary and Compliance Officer	-	Not Applicable

<sup>1</sup> Mr. Essaji Vahanvati was appointed on October 14, 2022.

<sup>2</sup> Mr. Rajasekhara Reddy resigned on September 05, 2022

<sup>3</sup> Mr. Balakrishna Kumar was appointed as Company Secretary of the Company w.e.f. April 8, 2022 till May 9, 2022.

<sup>4</sup> Mr. Parthasarathy Iyengar was appointed as the Company Secretary and Compliance Officer of the Company w.e.f May 10, 2022.

<sup>5</sup> Non-executive Directors don't receive any remuneration except sitting fees for attending the meetings of the Board of Directors and Committees thereof.

**ii. THE PERCENTAGE INCREASE IN THE MEDIAN REMUNERATION OF EMPLOYEES IN THE FINANCIAL YEAR 2022-23: 122%**

**iii. THE NUMBER OF PERMANENT EMPLOYEES ON THE ROLLS OF COMPANY AS ON MARCH 31, 2023: 43 employees**

**iv. AVERAGE PERCENTILE INCREASE ALREADY MADE IN THE SALARIES OF EMPLOYEES OTHER THAN THE MANAGERIAL PERSONNEL IN THE LAST FINANCIAL YEAR AND ITS COMPARISON WITH THE PERCENTILE INCREASE IN THE MANAGERIAL REMUNERATION AND JUSTIFICATION THEREOF AND POINT OUT IF THERE ARE ANY EXCEPTIONAL CIRCUMSTANCES FOR INCREASE IN MANAGERIAL REMUNERATION:**

- a. The average increase in remuneration of employees other than managerial personnel during the financial year 2022-23 is (1%)
- b. Increase in managerial remuneration is 40%.

**v. AFFIRMATION**

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

**For and on Behalf of the Board of Directors**

Place: Mumbai  
Date : May 19, 2023

**Jaspal Singh Bindra**  
Executive Chairman  
DIN: 00128320

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**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees, including the Managing Director and Executive Directors.

In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2023, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the Board), the Chief Financial Officer and the Company Secretary as on March 31, 2023.

**For and on Behalf of the Board of Directors**

Place: Mumbai  
Date : May 19, 2023

**Jaspal Singh Bindra**  
Executive Chairman  
DIN: 00128320

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and sub clause (10) (i) of Para C of Schedule V the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To  
The Members of  
**Centrum Capital Limited**  
Registered and Corporate office,  
Level - 9, Centrum House, C.S.T. Road  
Vidyanagari Marg, Kalina, Santacruz (East)  
Mumbai – 400098

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Centrum Capital Limited** having CIN L65990MH1977PLC019986 and having Registered office and Corporate office at Level-9, Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz (East) Mumbai 400098(hereinafter referred to as 'the Company') produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with sub clause 10 (i) of Para-C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority, as mentioned below:

<b>Sr. No</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in company</b>
1	Ms. Anjali Seth	05234352	12-11-2018
2	Mr. Chandir Gidwani	00011916	07-09-1996
3	Mr. Essaji Vahanvati	00157299	14-10-2022
4	Mr. Jaspal Bindra	00128320	21-04-2016
5	Mr. Ramchandra Kasargod Kamath	01715073	14-11-2015
6	Mrs. Mahakhurshid Byramjee	00164191	18-04-2001
7	Mr. Manmohan Shetty	00013961	05-08-2016
8	Mr. Narayan Vasudeo Prabhutendulkar	00869913	01-10-2018
9	Mr. Rajesh Srivastava	00302223	12-02-2020
10	Mr. Rishad Byramjee	00164123	11-03-2003
11	Mr. Radhamangalam Anantharaman Sankaranarayanan	05230407	03-04-2021
12	Mr. Subhash Kutte	00233322	06-07-2015
13	Mr. Subrata Kumar Mitra	00029961	12-09-2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on the status of disqualification, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**UMESH PARAMESHWAR MASKERI**

PRACTICING COMPANY SECRETARY

COP No. 12704 FCS No 4831

ICSI Peer Review Certificate No 653/2020

ICSI UDIN F004831E000333929

Place: Mumbai

Date: May 19, 2023

## COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To  
 The Board of Directors  
**Centrum Capital Limited**  
 Level -9, Centrum House, C.S.T. Road  
 Vidyanagari Marg, Kalina, Santacruz (East)  
 Mumbai – 400098

I UMESH PARAMESHWAR MASKERI, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on November 10, 2022, by the Board of Directors of Centrum **Capital Limited** (hereinafter referred to as '**the Company**'), having CIN L65990MH1977PLC019986 and Registered Office and Corporate office at Level-9, Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz (East) Mumbai – 400098. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as '**the Regulations**'), for the year ended Financial Year ended on March 31, 2023.

### Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Verification:

The Company has implemented Centrum Capital CCL Employees Stock Option Scheme viz Employee Stock Option Scheme in accordance with the Regulations and the Special Resolution(s) passed by the members at the Annual General Meeting of the Company held on August 31, 2017

For the purpose of verifying the compliance of the Regulations, I have examined the following:

1. Scheme(s) received from/furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors
4. Shareholders resolutions passed at the General Meeting(s);

5. Shareholders resolution passed at General Meetings w.r.t variation in implementing the scheme(s) through a trust(s); Not applicable during the financial year
6. Minutes of the meetings of the Compensation Committee;  
Trust the scheme (if any);
7. Trust Deed;
8. Details of trades in the securities of the company executed by the trust through which the scheme is implemented; Not applicable during the financial year
9. Relevant Accounting Standards as prescribed by the Central Government;
10. Detailed terms and conditions of the scheme as approved by Compensation Committee;
11. Bank Statements towards Application money received under the scheme(s); Not applicable during the financial year
12. Valuation Report; Not applicable during the financial year
13. Exercise Price / Pricing formula;
14. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
15. Disclosure by the Board of Directors;
16. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;

Certification:

In my opinion and to the best of my/our knowledge and according to the verifications as considered necessary and explanations furnished to me/us by the Company and its Officers, I certify that the Company has implemented the

Employee Stock Option Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to

for any purpose other than for the Regulations.

**Umesh Parameshwar Maskeri**

Practicing Company Secretary

Membership No FCS 4831

Certificate of Practice Number 12704

Peer Review Certificate Number 653/2020

ICSI UDIN F004831E000333951

Place: Mumbai

Date: May 19, 2023

**Note:**

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

To  
The Members  
**Centrum Capital Limited**  
Level -9, Centrum House, C.S.T. Road  
Vidyanagari Marg, Kalina, Santacruz (East)  
Mumbai – 400098

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

1. Maintenance of records and compliances pertaining to the SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. This compliance certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**UMESH P MASKERI**  
PRACTICING COMPANY SECRETARY  
FCS No 4831 COP No. 12704  
Peer Review Certificate No 653/2020

Place: Mumbai  
Date: May 19, 2023



The image shows a dark blue background with a large, lighter blue circular shape on the right side. Inside this circle, there are several concentric white lines forming a ring. The text "Financial Statements" is centered within this ring.

# **Financial Statements**

# Independent Auditor's Report

To the Members of Centrum Capital Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of **Centrum Capital Limited** (the 'Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone 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 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and its loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 (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 matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter(s)
1	<p><b>Carrying value of investment in subsidiaries</b> (Refer note 8 to the standalone financial statements)</p> <p>The Company has equity investments in subsidiaries amounting to ₹ 89,611.90 lakhs as at 31<sup>st</sup> March, 2023 (the 'Investments') which are carried at cost as per Ind AS 27, <i>Separate Financial Statements</i>.</p> <p>We considered the valuation of such investments to be significant to the audit, because of the materiality of the investments to the standalone financial statements of the Company.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- Understood the design and implementation of relevant internal controls with respect to Investments including its impairment assessment;</li> <li>- Performed necessary audit procedures to test the operating effectiveness of the relevant internal controls with respect to valuation of Investments during the year ended and as of 31<sup>st</sup> March, 2023;</li> <li>- We compared the carrying values of the investment in subsidiaries and associate for which audited financial statements were available with their respective net asset values and earnings for the period;</li> </ul>

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter(s)
	<p>The management assesses at least annually the existence of impairment indicators of each investments. The recoverable amounts of the Investments is determined based on the management's estimates of future cash flows and their judgment with respect to the subsidiaries and associate performance.</p> <p>Accordingly, the impairment of investments was determined to be a key audit matter in our audit of the standalone financial statements.</p>	<ul style="list-style-type: none"> <li>- 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;</li> <li>- We have evaluated valuation reports issued by an independent valuers for valuation of investments in subsidiary companies and associate. We have verified the valuation reports particularly with reference to underlying assumptions in discussion with external valuers; and</li> <li>- We have also verified the independence and competence of the valuers and scope of the assignments.</li> </ul> <p>We assessed the disclosures made in the standalone financial statements.</p>
2.	<p><b>Valuation of Market Linked Debentures (Refer Note 18 to the standalone financial statements)</b></p> <p>The Company has significant amount of outstanding Market Linked Debentures (MLDs) as on 31<sup>st</sup> March, 2023 aggregating ₹ 30,615.80 lakhs. 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>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- Inspected Board minutes and other appropriate documentation of authorization to assess whether the transactions were appropriately authorized;</li> <li>- Understood the design and implementation of relevant internal controls with respect to MLDs;</li> <li>- Performed necessary audit procedures to test the operating effectiveness of the relevant internal controls with respect to MLDs during the year ended and as of 31<sup>st</sup> March, 2023;</li> <li>- Verified the terms and condition of the MLDs with the MLDs deed, prospectuses and other supporting documents;</li> <li>- Verified the calculations carried out to separate the derivative component from MLDs;</li> <li>- 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; and</li> </ul> <p>We have also verified the independence and competence of the valuers and scope of the assignments.</p>

### Information Other than the Standalone 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, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during 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 / Trustees 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 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 Indian Accounting Standards specified under Section 133 of the Act. The respective Management and Board of Directors of the Company/Trustees of ESPS Trust ('Trust') are responsible for maintenance of adequate accounting records in accordance with the provision 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 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, 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 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;
- Obtain sufficient appropriate audit evidence regarding the financial statements of Trust of the Company to express an opinion on the standalone financial statements. For the Trust included in the standalone financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled 'Other Matter' in this audit report.
- 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; and
- 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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.

### Other Matter

- (a) The standalone financial statements for the year ended 31<sup>st</sup> March, 2023 includes the financial statements of the Trust which has been audited by their auditors, whose financial statements reflect total assets of ₹ 2,380.66 lakhs as at 31<sup>st</sup> March, 2023, total revenue of ₹ 5.53 lakhs, net profit after tax of ₹ 4.48 lakhs for the year ended 31<sup>st</sup> March 2023 and cash flows of ₹ 47.32 lakhs for the year ended 31<sup>st</sup> March 2023, as considered in the standalone financial statements. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of the Trust, is based solely on the report of that auditor.
- (b) The standalone financial statements for the year ended 31<sup>st</sup> March 2022 includes financial figures for the quarter ended 30<sup>th</sup> June, 2021 which was reviewed and reported by predecessor auditor, vide their review report dated 13<sup>th</sup> August, 2021 and have been relied upon by us for the purpose of our audit of the standalone financial statements.

Our opinion is not modified in respect of the above matters.

### 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, 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, 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 standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act,
- (e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**;
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with the 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. Further, the Ministry of Corporate Affairs has not prescribed other details under aforesaid section which are required to be commented upon by us.
- (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 no pending litigations on its financial position in its standalone financial statements – (Refer Note 36 to the standalone financial statements);
  - (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 – (Refer Note 5 to the standalone financial statements);
  - (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 of the Company has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the standalone financial statements, during the year, 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 or entity, including foreign entities (the '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 (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) the management of the Company has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the standalone financial statements, during the year, no funds have been received by the Company from any person or entity, including foreign entities (the '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 (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) based on such audit procedures, we have considered reasonable and appropriate in the circumstances that nothing has come to our notice that has caused us to believe that the representations under paragraph (a) and (b) above, contain any material misstatement.

(v) the Company neither declared nor paid dividend during the year. Accordingly, the Company is not required to comply with Section 123 of the Act.

(vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended, for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company from the financial year commencing on or after 1<sup>st</sup> April, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended,

is not applicable for the financial year ended 31<sup>st</sup> March, 2023.

**SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No.109982W  
by the hand of

**Edwin Paul Augustine**

Partner  
Membership No. 043385  
UDIN: 23043385BGPJRI3047

Mumbai, 19<sup>th</sup> May, 2023

## Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge, we state that:

- (i) In respect of the Company's property, plant and equipment and intangible assets
- (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment;
- (B) The Company is maintaining proper records showing full particulars of intangible assets;
- (b) According to the information and explanations to us, the Company has a program of physical verification of property, plant and equipment to cover all the items in a phased manner over a period of three years, which, in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) The title deed of immovable properties disclosed in the financial statements are held in the name of the Company as at the balance sheet date. (Other than properties where the company is the lessee and the lease agreements are duly executed in favour of lessee.)
- (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 31<sup>st</sup> March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the Paragraph 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Company did not have inventories either at the beginning or at the end of the year. Accordingly, the Paragraph 3(ii)(a) of the Order is not applicable to the Company; and
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, during the year, in aggregate from banks and/or financial institutions, on the basis of security of current assets - (fixed deposits). The quarterly returns/statements are not required to be filed by the Company with such banks and/or financial institutions.
- (iii) The Company has made investments in companies, limited liability partnerships and granted unsecured loans to other parties, during the year, in respect of which:
- (a) During the year, the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to the following entities:

(₹ in Lakhs)					
Sr No	Particulars	Guarantees	Security	Loans	Advances in the nature of loans
<b>1</b>	<b>Aggregate amount granted / provided during the year</b>				
	- Subsidiaries	12,500.00	Nil	83,648.00	Nil
	- Associates	Nil	Nil	Nil	Nil
	- Others	Nil	Nil	Nil	Nil
<b>2</b>	<b>Balance outstanding as at 31<sup>st</sup> March, 2023 in respect of above cases</b>				
	- Subsidiaries	47,659.62	Nil	18,624.76	Nil
	- Associates	Nil	Nil	Nil	Nil
	- Others	Nil	Nil	Nil	Nil

- (b) According to the information and explanations given to us, and the records examined by us, the investments made, and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided by the Company during the year are, prima facie, not prejudicial to the Company's interest;
- (c) According to the information and explanations given to us, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest in respect of the loans and advances in the nature of loans has been stipulated and the repayments or receipts during the year are regular as per stipulation;



- (d) According to the information and explanations given to us, in respect of the aforesaid loans and advances in the nature of loans, there is no overdue amount for more than ninety days;
- (e) According to the information and explanations given to us, there were no loans or advances in the nature of loan granted which have fallen due during the year, have been renewed or extended. Further, there were no instances of fresh loans being granted to settle the over dues of existing loans given to the same parties; and
- (f) According to the information and explanations given to us, 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. Accordingly, the Paragraph 3(iii)(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 Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be 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 and other relevant provisions of the Act and the rules framed thereunder apply. Accordingly, the Paragraph 3(v) of the Order is not applicable to the Company. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148 of the Act for the business activities carried out by the Company. Accordingly, the Paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) In our opinion, the Company is generally regular in depositing the undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Cess and any other statutory dues to the appropriate authorities. There are no arrears of outstanding statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable; and
- (b) There are no statutory dues referred to (a) above, which have not been deposited on account of any dispute.
- (viii) There are 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. Accordingly, the Paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not defaulted in 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 on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;
- (c) According to the information and explanations given to us, the Company has, prima facie, utilized the money obtained by way of term loans during the year for the purposes for which they were obtained;
- (d) According to the information and explanations given to us and the procedure performed by us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, *prima facie*, been used for long-term purposes by the Company;
- (e) According to the information and explanations given to us, 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 or associate as defined under the Act. The Company does not have a joint venture; and
- (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 or associate as defined under the Act. The Company does not have a joint venture.

- (x) (a) According to the information and explanations given to us, we report that the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year. However, the Company has raised monies by way of debt instruments during the year; and
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the Paragraph 3(x)(b) of the Order is 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 generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company or reported during the year nor have we been informed of such case by management;
- (b) According to the information and explanations given to us and on the basis of our audit procedures, no report under Section 143(12) of the 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; and
- (c) According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) The Company is not a Nidhi Company. Accordingly, the Paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our audit procedures, the Company is in compliance with Sections 177 and 188 of the Act with respect to applicable transaction with the related parties and the relevant details of such related party transactions have been disclosed in the financial statements as required under the applicable Indian Accounting Standards.
- (xiv) (a) According to the information and explanations given to us, the Company has adequate internal audit system commensurate with the size and the nature of its business; and
- (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 to us and in our opinion, the Company, during the year, has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the provisions of Section 192 of the Act is not applicable. Accordingly, the Paragraph 3(xv) 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, the Paragraph 3(xvi)(a) of the Order is not applicable to the Company;
- (b) According to the information and explanations given to us and in our opinion, the Company has not conducted Non-Banking Financial or Housing Finance activity. Accordingly, the Paragraph 3(xvi)(b) of the Order is not applicable to the Company;
- (c) According to the information and explanations given to us and in our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India; and
- (d) According to the information and explanations given to us, the Group to which the Company belongs has no CIC as part of the Group.
- (xvii) According to the information and explanations given to us, the Company has incurred cash losses in the current and the immediately preceding financial year amounting to ₹ 5,982.69 lakhs and ₹ 2,408.91 lakhs respectively.
- (xviii) According to the information and explanations given to us, there has been no resignation of statutory auditors during the year. Accordingly, the Paragraph 3(xviii) 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 Company is not capable of meeting its liabilities existing as 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 upto 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) There are no unspent amounts towards Corporate Social Responsibility on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to Section 135(5) of the Act. Accordingly, the Paragraph 3(xx)(a) of the Order is not applicable to the Company; and

(b) There are no unspent amounts towards Corporate Social Responsibility ongoing projects requiring a transfer to a Special account in compliance with the provisions of Section 135(6) of the said Act. Accordingly, the Paragraph 3(xx)(b) of the Order is not applicable to the Company.

**SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

**Edwin Paul Augustine**

Partner  
Membership No. 043385  
UDIN: 23043385BGPJRI3047

Mumbai, 19th May, 2023

## Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2(f) of our report of even date)

### Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013 (the 'Act')

We have audited the internal financial controls over financial reporting of **Centrum Capital Limited** (the 'Company'), as of 31st March, 2023 in conjunction with our audit of the standalone 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, (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, 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 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 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 expenditure 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 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 to 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 31st March, 2023, 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.

**SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

**Edwin Paul Augustine**

Partner  
Membership No. 043385  
UDIN: 23043385BGPJRI3047

Mumbai, 19th May, 2023

# Standalone Balance Sheet

as at March 31, 2023

Particulars	Note	(₹ in lakhs)	
		Year ended March 31, 2023	Year ended March 31, 2022
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	3	532.80	2,025.99
Bank balances other than cash and cash equivalents, above	4	4,327.45	1,583.02
Derivative financial instruments	5	70.71	440.73
Receivables			
Trade receivables	6	224.44	300.61
Loans	7	18,624.76	5,686.10
Investments	8	93,716.74	96,128.90
Other financial assets	9	141.88	115.60
		<b>1,17,638.78</b>	<b>1,06,280.95</b>
<b>Non-financial assets</b>			
Current tax assets (net)	10	344.90	689.97
Deferred tax assets (net)	11	3,016.66	2,585.23
Property, plant and equipment	12	272.17	310.29
Right-of-Use assets	13	98.78	197.40
Other intangible assets	14	4.50	9.96
Other non-financial assets	15	25.14	24.13
		<b>3,762.15</b>	<b>3,816.98</b>
<b>TOTAL ASSETS</b>		<b>1,21,400.93</b>	<b>1,10,097.93</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Derivative financial instruments	16	24,402.75	17,497.16
Payables	17		
Trade payables			
(i) Total outstanding dues of micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		68.24	69.89
Other payables			
(i) Total outstanding dues of micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		4,680.50	6,740.50
Debt securities	18	30,615.80	27,109.69
Borrowings (other than Debt securities)	19	7,983.65	3,154.78
Other financial liabilities	20	8,494.78	4,820.47
<b>Non-financial liabilities</b>			
Provisions	21	75.37	46.15
Other non-financial liabilities	22	969.87	113.01
		<b>77,290.96</b>	<b>59,551.65</b>
<b>Equity</b>			
Equity share capital	23	4,160.33	4,160.33
Other equity	24	39,949.64	46,385.95
		<b>44,109.97</b>	<b>50,546.28</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,21,400.93</b>	<b>1,10,097.93</b>

## Corporate Information and Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements.

1-2

35-50

As per our report attached

### SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 109982W

by the hand of

### Edwin Paul Augustine

Partner

Membership No.043385

Place : Mumbai

Date : May 19, 2023

For and on behalf of Board of Directors of

### Centrum Capital Limited

### Jaspal Singh Bindra

Executive Chairman

DIN : 00128320

### Sriram Venkatasubramanian

Chief Financial Officer

### Parthasarathy Iyengar

Company Secretary

Membership No. A21472

# Standalone Statement of Profit and Loss

for the year ended March 31, 2023

Particulars	Note	(₹ in lakhs)	
		Year ended March 31, 2023	Year ended March 31, 2022
<b>A. CONTINUING OPERATIONS</b>			
<b>Revenue from operations</b>			
Sales of services	25	2,090.39	2,808.76
Net gain on fair value changes	26	-	534.24
Other operating income		500.00	367.69
<b>Total revenue from operations</b>		<b>2,590.39</b>	<b>3,710.69</b>
Other income	27	3,224.88	2,605.29
<b>Total Income</b>		<b>5,815.27</b>	<b>6,315.98</b>
<b>Expenses</b>			
Finance costs	28	7,127.40	5,508.30
Net Loss on fair value changes	26	1,634.88	-
Impairment on financial instruments	29	105.93	859.59
Employee benefits expenses	30	3,270.50	1,986.44
Depreciation and amortisation	31	170.12	185.46
Other expenses	32	1,294.23	1,343.61
<b>Total Expenses</b>		<b>13,603.06</b>	<b>9,883.40</b>
<b>Profit/(Loss) before tax from continuing operations</b>		<b>(7,787.79)</b>	<b>(3,567.42)</b>
<b>Tax expense</b>			
- Current tax	33	0.13	92.51
- Deferred tax charge/ (credit)	33	(431.50)	(137.34)
- Tax adjustments of earlier years		(118.93)	(119.10)
<b>Total Tax Expense</b>		<b>(550.30)</b>	<b>(163.93)</b>
<b>Net Profit/ (Loss) for the year from continuing operations</b>		<b>(7,237.49)</b>	<b>(3,403.49)</b>
<b>B. DISCONTINUED OPERATIONS</b>			
<b>Profit before tax for the year from discontinued operations</b>		-	<b>117.04</b>
Tax expense/ (credit) of discontinued operations			
- Current tax		-	(3.00)
- Deferred tax charge/ (credit)		-	-
- Tax adjustments of earlier years		-	(102.06)
<b>Total tax expense of discontinued operations</b>		-	<b>(105.06)</b>
<b>Net Profit for the year from discontinued operations (after tax)</b>		-	<b>11.98</b>
<b>Profit/(Loss) for the year</b>		<b>(7,237.49)</b>	<b>(3,391.51)</b>
<b>Other Comprehensive Income (OCI)</b>			
<b>i. Items that will not be reclassified to profit or loss</b>			
(a) Change in fair value of equity instruments through OCI		-	-
(b) Remeasurement of defined benefit plans		0.26	6.18
(c) Income tax relating to items that will not be reclassified to profit or loss		(0.07)	(1.61)
<b>ii. Items that will be reclassified to profit or loss</b>		-	-
		<b>0.19</b>	<b>4.57</b>
<b>Other Comprehensive Income - Discontinued Operations</b>			
<b>i. Items that will not be reclassified to profit or loss</b>			
(a) Change in fair value of equity instruments through OCI		-	-
(b) Remeasurement of defined benefit plans		-	(15.07)
(c) Income tax relating to items that will not be reclassified to profit or loss		-	3.79
<b>ii. Items that will be reclassified to profit or loss</b>		-	-
		-	<b>(11.28)</b>
<b>Total Other Comprehensive Income/(Expenses)</b>		<b>0.19</b>	<b>(6.71)</b>
<b>Total Comprehensive Income/ (Loss) for the year</b>		<b>(7,237.30)</b>	<b>(3,398.22)</b>
Earnings per equity share [Face Value ₹ 1 (Previous year : ₹ 1)]	34		
Basic and diluted earning per share - continuing operations (₹)		(1.74)	(0.82)
Basic and diluted earning per share - discontinued operations (₹)		-	0.00
Basic and diluted earning per share - continuing and discontinued operations (₹)		(1.74)	(0.82)

**Corporate Information and Significant Accounting Policies**

The accompanying notes form an integral part of the standalone financial statements.

1-2  
35 -50As per our report attached  
**SHARP & TANNAN**  
Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of**Edwin Paul Augustine**  
Partner  
Membership No.043385Place : Mumbai  
Date : May 19, 2023For and on behalf of Board of Directors of  
**Centrum Capital Limited****Jaspal Singh Bindra**  
Executive Chairman  
DIN : 00128320**Sriram Venkatasubramanian**  
Chief Financial Officer**Parthasarathy Iyengar**  
Company Secretary  
Membership No. A21472

# Standalone Statement of Cash Flows

for the year ended March 31, 2023

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash flows from Operating Activities:</b>		
<b>Profit/(Loss) before tax</b>	(7,787.79)	(3,567.42)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	170.12	185.46
Loss on sale of property, plant and equipment	10.11	5.75
Gain on modification of Right-to-Use assets/sub-lease and others	43.51	(16.60)
Net gain on fair value changes	1,612.51	(534.24)
Interest income	(1,833.35)	(1,978.37)
Employees stock options	240.31	13.01
Dividend income on investments	(9.84)	(6.90)
Impairment on financial instruments	105.93	859.58
Guarantee income	(31.54)	(43.62)
Finance costs	7,127.40	5,508.30
<b>Operating profit before working capital changes</b>	<b>(352.63)</b>	<b>424.95</b>
<b>Adjustments for:</b>		
Decrease/(Increase) in Trade receivables	8.74	(0.80)
Decrease/(Increase) in Loans	(12,976.83)	16,107.55
Decrease/(Increase) in Other financial assets	(270.71)	1,119.48
Decrease/(Increase) in Other non-financial assets	(1.01)	36.47
Decrease/(Increase) in Derivative financial instruments (net)	426.39	-
(Decrease)/Increase in Trade and Other payables	(2,061.65)	92.77
(Decrease)/Increase in Other financial and Non financial liabilities	1,207.28	194.44
(Decrease)/Increase in Provisions	29.47	9.71
<b>Cash generated from operations</b>	<b>(13,990.96)</b>	<b>17,984.57</b>
Direct taxes paid (net of refunds)	464.00	20.96
<b>Net cash generated from/ (used in) operating activities</b>	<b>(13,526.96)</b>	<b>18,005.53</b>
<b>B. Cash flows from Investing Activities:</b>		
Purchase of Property, plant and equipment	(42.22)	(7.26)
Proceeds from sale of Property, plant and equipment	4.19	0.20
Investment in Subsidiaries	-	(30,059.85)
Investment in Debentures of subsidiary	-	(5,934.67)
Investment in Bank fixed deposits	(2,500.00)	-
Investment in Bonds	-	(2,665.61)
Proceeds from sale of Bonds	1,241.43	1,283.96
Proceeds from withdrawal of capital from Subsidiary LLP	20.00	35.00
Investment in Mutual funds	-	(4,500.00)
Proceeds from redemption of Mutual funds	6.41	4,507.58
Consideration received on slump sale	-	11,000.00
Sale of Treasury shares	87.50	-
Investment in Private Trusts	(46.78)	(372.34)
Interest received on Investments	1,840.96	609.47
Dividend on Investments	9.84	82.10
<b>Net cash generated from/ (used in) investing activities</b>	<b>621.33</b>	<b>(26,021.42)</b>



# Standalone Statement of Cash Flows

for the year ended March 31, 2023

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>C Cash flows from Financing Activities:</b>		
Proceeds/(Repayment) of Debt securities (net)*	9,777.86	12,679.38
Proceeds/(Repayment) of Borrowings (other than Debt securities) (net)*	4,931.82	1,454.32
Payment of lease liabilities	(120.00)	(120.00)
Finance costs	(3,177.25)	(4,986.23)
<b>Net cash generated from / (used in) financing activities</b>	<b>11,412.44</b>	<b>9,027.47</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,493.19)</b>	<b>1,011.58</b>
Cash and cash equivalents as at the beginning of the year (refer Note below)	2,025.99	1,014.41
Cash and cash equivalents as at the end of the year (refer Note below)	532.80	2,025.99

\*net figures have been reported on account of volume of transactions.

Notes :

- The above standalone statement of cash flows have been prepared under the 'Indirect method' as set out in Ind AS 7, *Statement of Cash Flows* as specified in the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- The disclosures relating to changes in liabilities arising from financing activities (refer Note 39).
- Figures for the previous year have been regrouped wherever necessary.
- Components of cash and cash equivalents

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalents at the end of the year</b>		
i) Cash on hand	7.93	8.08
ii) Balances with banks (of the nature of cash and cash equivalents)	524.87	2,017.91
iii) Bank deposit with original maturity less than three months	-	-
<b>TOTAL</b>	<b>532.80</b>	<b>2,025.99</b>

As per our report attached

**SHARP & TANNAN**  
Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

**Edwin Paul Augustine**  
Partner  
Membership No.043385

Place : Mumbai  
Date : May 19, 2023

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

**Jaspal Singh Bindra**  
Executive Chairman  
DIN : 00128320

**Sriram Venkatasubramanian**  
Chief Financial Officer

**Parthasarathy Iyengar**  
Company Secretary  
Membership No. A21472

# Standalone Statement of Changes in Equity

for the year ended March 31, 2023

## A. Equity share capital

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023				
	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Issued, subscribed and paid-up (Equity shares of face value ₹ 1 each)	4,160.33	-	-	-	4,160.33

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022				
	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Issued, subscribed and paid-up (Equity shares of face value ₹ 1 each)	4,160.33	-	-	-	4,160.33

# Standalone Statement of Changes in Equity

for the year ended March 31, 2023

## B. Other equity

Particulars	Reserves and Surplus							Equity Instruments through Other Comprehensive Income	Total Other equity		
	Capital reserve	Securities premium	Debt redemption reserve	Treasury shares - Centrum Capital Limited	ESOP Trust reserve	Share option outstanding account	General reserve			Retained earnings from CML	Retained earnings
<b>As at April 01, 2021</b>	0.00	14,477.74	1,741.50	(2,310.54)	2,376.77	622.08	2,056.15	-	30,560.82	(91.40)	<b>49,433.13</b>
Profit/(Loss) for the year	-	-	-	-	(11.77)	-	-	-	(3,379.76)	-	(3,391.53)
Other Comprehensive Income/(loss), net of income tax	-	-	-	-	-	-	-	-	(6.71)	-	(6.71)
<b>Total Comprehensive Income/(loss) for the year</b>	-	-	-	-	(11.77)	-	-	-	(3,342.82)	-	<b>(3,398.24)</b>
Dividend paid on equity shares (Including tax thereon)	-	-	-	-	-	-	-	-	-	-	-
Add : Retained earnings (from pooling of interest method)	-	-	-	-	-	-	-	311.04	-	-	311.04
Share-based Payment	-	-	-	-	-	40.01	-	-	-	-	40.01
Transfers to General Reserve	-	-	(1,741.50)	-	-	-	1,741.50	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>0.00</b>	<b>14,477.74</b>	-	<b>(2,310.54)</b>	<b>2,365.00</b>	<b>662.08</b>	<b>3,797.65</b>	<b>311.04</b>	<b>27,174.37</b>	<b>(91.40)</b>	<b>46,385.95</b>
Profit/(Loss) for the year	-	-	-	-	2.52	-	-	-	(7,240.01)	-	(7,237.49)
Other Comprehensive Income/(loss), net of income tax	-	-	-	-	-	-	-	-	0.19	-	0.19
<b>Total Comprehensive Income/(loss) for the year</b>	-	-	-	-	<b>2.52</b>	-	-	-	<b>(7,239.82)</b>	-	<b>(7,237.30)</b>
Dividend paid on equity shares (Including tax thereon)	-	-	-	-	-	-	-	-	-	-	-
Share-based Payment	-	-	-	-	-	713.49	-	-	-	-	713.49
Transfers to General Reserve	-	-	-	-	-	(368.09)	368.09	-	-	-	-
Sale of Treasury shares	-	-	-	87.50	-	-	-	-	-	-	87.50
<b>Balance as at March 31, 2023</b>	<b>0.00</b>	<b>14,477.74</b>	-	<b>(2,223.04)</b>	<b>2,367.52</b>	<b>1,007.48</b>	<b>4,165.74</b>	<b>311.04</b>	<b>19,934.55</b>	<b>(91.40)</b>	<b>39,949.64</b>

As per our report attached

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No. 109982W

by the hand of

**Edwin Paul Augustine**

Partner

Membership No.043385

For and on behalf of Board of Directors of

**Centrum Capital Limited**

**Jaspal Singh Bindra**

Executive Chairman

DIN : 00128320

**Sriram Venkatasubramanian**

Chief Financial Officer

**Parthasarathy Iyengar**

Company Secretary

Membership No. A21472

Place : Mumbai

Date : May 19, 2023

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

## 1. Corporate information

Centrum Capital Limited (the 'Company') is a Public Company engaged in Investment Banking and a SEBI Registered Category-I Merchant Banker. The address of its registered office and principal activities of the Company are disclosed in the introduction to the Annual Report. The Equity shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The Company offers a complete gamut of financial services in the areas of equity capital market, private equity, corporate finance, project finance, stressed asset resolution.

### 2.1 Significant accounting policies

#### a. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and the presentation requirements of Schedule III to the act, as amended by the Companies (Accounts) Amendment Rules, 2021 and made effective from April 01, 2021. As stated in the above notification, the Company has made the disclosures specified in the Schedule III to the Act, to the extent those disclosures are applicable and reportable.

These standalone financial statements have been prepared on a historical cost basis, except for derivative financial instruments and other financial assets held for trading, which have been measured at fair value.

The Balance sheet and the Statement of profit and loss are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, *Statement of Cash Flows*.

All amounts disclosed in the financial statements and notes are presented in ₹ lakhs and have been rounded off to two decimal as per the requirement of Division III of Schedule III to the Act, unless otherwise stated

#### b. 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 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 38.

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

#### c. Property, plant and equipment (PPE)

PPE are stated at cost less accumulated depreciation 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. Subsequent costs incurred on an item of PPE 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. Borrowing costs relating to acquisition of PPE 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. Gains or losses arising from derecognition of PPE 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.

Depreciation on PPE is provided on straight line method over the useful lives of assets as prescribed in Schedule II of the Act, except for leasehold improvements. Leasehold improvements are amortised over a period of lease or useful life, whichever is less. The residual

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

values, useful lives and method of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

<b>Particulars</b>	<b>Estimated useful life specified under Schedule II of the Act.</b>
Building	60 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computer - end user devices, such as desktops, laptops etc.	3 years

### d. Intangible assets

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets are amortised on straight line basis over the estimated useful life. The useful lives and method of depreciation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

The Company capitalises computer 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 6- 9 years.

### e. Impairment of non-financial assets

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

Impairment loss is recognised 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 pre-tax 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 recognised 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.

### f. Revenue from operations

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 services to the customer, excluding amounts collected on behalf of third parties. The Company consider 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 applies five-step model for the recognition of revenue.

The Company recognises revenue from the following sources:

Fee income including fees for Advisory, Syndication and other allied services. The right to receive fees is based on milestones defined in accordance with the terms of the contracts entered into between the Company and counterparties which also defines its performance obligation. Fee income are accounted for on an accrual basis.

### g. Recognition of Interest and dividend income

#### Interest income

Under Ind AS 109, Financial Instruments, interest income is recorded using the Effective Interest Rate

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

(EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

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.

### Dividend income

Dividend income is recognised in profit or loss when the Company's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably.

## h. 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 RoU 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 re-measured 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.

### The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the RoU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### i. 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 trades, purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention. The Company recognises borrowings when funds are received by 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.

#### Classification and subsequent measurement of financial instruments

##### (i) Financial assets :

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

##### 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 gives rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. The changes in carrying value of such financial asset is recognised in profit and loss account.

Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI 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 to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of such financial asset is 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 are 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 such financial asset is recognised in Profit and loss account.

##### Amortised 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 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.

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

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

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.

## Financial assets held for trading

The Company classifies financial assets as held for trading when they have been acquired primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is pattern of short-term profit. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value.

## Investment in equity instruments of subsidiary, associates and joint ventures

The Company measures all equity investments in subsidiaries and associates at cost as permitted under Ind AS 27, Separate Financial statements subject to impairment, if any.

## Other equity instruments

The Company subsequently measures all other equity investments at fair value through profit or loss, unless the management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32, Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI.

## Impairment of financial assets

The Company records allowance for expected credit losses for all amortised cost financial assets and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under

Ind AS 109, *Financial Instruments*.

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 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 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. 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 on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all 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.

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 44.

## Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e.



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the Company also recognizes an associated liability, the transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Company has returned.

### (ii) Financial liabilities and equity :

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

All financial liabilities are measured at amortised cost except for financial guarantees and derivative financial liabilities.

#### 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.

#### Financial guarantee:

Financial guarantees are contracts that requires the Company to make specified payments to the holders to make good the losses incurred arising from default in performance obligation by the borrower.

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.

#### Derivative contracts (Derivative assets/Derivative liability)

The Company enters into a variety of derivative financial contracts to manage its exposure to market risks including futures and options contracts.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in profit or loss immediately.

#### Embedded derivatives

The embedded derivatives are treated as separate derivatives when:

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

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non- derivative host contract, with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

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.

## Treasury Shares

The Company is a sponsor to trust namely Centrum ESPS Trust. This trust has been formed exclusively to provide benefits to employees of the Company and its subsidiaries. These trust have been treated as an extension of the Company for the purpose of these financial statements. Accordingly, the equity shares of the Company held by these trust have been treated as treasury shares. The amount paid for the treasury shares is deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares.

## Derecognition of financial liabilities

The Financial liabilities are derecognised when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired. 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, including modified contractual cash flow recognised as new financial liability, would be recognised in profit or loss.

## 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.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 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.

## j. 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.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

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 are derived from directly or indirectly observable market data available.

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.

### **k. 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 other financial liabilities in the balance sheet.

### **l. 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.

### **m. Foreign exchange transactions and translations**

#### **Initial recognition**

Transactions in foreign currencies are recognized at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction date.

#### **Conversion**

Transactions in foreign currencies 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 recognized in Statement of profit and 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.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

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. Thus, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

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

### n. Retirement and other employee benefits

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.

- (i) Under The 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 makes contribution to a scheme administered by the Life Insurance Corporation of India ("LIC") to discharge the gratuity liability to employees. The Company records its gratuity liability based on an actuarial valuation made by an independent actuary as at year end. Contribution made to the LIC fund and provision made for the funded amounts are expensed in the books of accounts.
- (ii) Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit Method.
- (iii) Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized 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. Remeasurements are not reclassified to profit or loss in subsequent period.

### o. 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.

Deferred tax assets are also recognised with respect to carry forward of unused tax losses and unused tax credits (including Minimum Alternative Tax credit) 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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

deductible temporary difference or in periods in which a tax loss can be carried forward or back. When this is not the case, deferred tax asset is recognised to the extent it is probable that:

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

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.

### Minimum alternate tax (MAT)

MAT paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax and thereby utilising MAT credit during the specified period, i.e., the period for which MAT credit is allowed to be carried forward and utilised. In the year in which the company recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

### 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.

### p. Provisions, Contingent liabilities and Contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) 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 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.

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.

### q. 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

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

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.

## r. 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 '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 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 Share Options Outstanding Account is transferred within equity.

## s. Segment reporting

### Identification of segments

Operating Segments are identified based on monitoring of operating results by the Chief Operating Decision-Maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Company. Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

### Segment policies

The Company prepares its segment information in conformity with the accounting policies adopted for

preparing and presenting the financial statements of the Company as a whole.

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

Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

## 2.2 Significant accounting judgments, estimates and assumptions

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

### Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone 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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

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.

- **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.

- **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 groups of 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.

- **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.

### **Key source of 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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

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 35.

- **Useful lives of property, plant and equipment:**

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

- **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.

- **Investment in associates/joint ventures:**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decision of the investee, but it's not control or joint control over those policies. The Company's interest in its associates or joint ventures is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture.

- **Business combination:**

Business combinations are accounted for using the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. The consideration transferred in a business combination comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Company and fair value of any assets or liabilities resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities, i.e., deferred tax assets or liabilities, assets or liabilities related to employee benefits arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind AS.

The Company recognises any non-controlling interest in the acquired entity on an acquisition-by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquired entity and the acquisition-date fair value of any previous equity interest in the acquired entity over the acquisition-date fair value of the net identifiable assets acquired is recognised as goodwill. Any gain on a bargain purchase is recognised in Other comprehensive income and accumulated in equity as Capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase, otherwise the gain is recognised directly in equity as Capital Reserve.

Goodwill represents excess of the cost of portfolio acquisition over the net fair value of the identifiable assets and liabilities. Goodwill paid on acquisition



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

of portfolio is included in intangible assets. Goodwill recognised is tested for impairment annually and when there are indications that the carrying amount may exceed the recoverable amount.

Goodwill on acquisitions of subsidiaries is shown as separate line item in financial statements. These Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured subsequently and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of contingent consideration are recognised in profit or loss.

When a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss or Other Comprehensive Income, as appropriate.

Where it is not possible to complete the determination of fair values by the end of the reporting period in which the combination occurs, a provisional assessment of fair values is made and any adjustments required to those provisional values, and the corresponding adjustments to goodwill, are finalised within 12 months of the acquisition date.

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a Company. Company 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.

### 2.3 Recent Accounting Pronouncement

The following standards / amendments to standards have been issued and will be effective from April 01, 2023. The Group has evaluated the requirements of these standards, improvements and amendments and there are no impacts on the financial statements.

- (a) Indian Accounting Standard (Ind AS) 1, *Presentation of Financial Statements* - This amendment requires the entities to disclose their 'material accounting policies' rather than their significant accounting policies.
- (b) Indian Accounting Standard (Ind AS) 8, *Accounting Policies, Changes in Accounting Estimates and Errors* - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities..
- (c) Indian Accounting Standard (Ind AS) 12, *Income Taxes* - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 3 : CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Cash on hand including foreign currencies	7.93	8.08
Balances with banks		
In current accounts	524.87	2,017.91
<b>TOTAL</b>	<b>532.80</b>	<b>2,025.99</b>

### Note 4 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS, ABOVE

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In term deposits	4,323.19	1,578.76
Earmarked balances with Banks		
Unpaid dividend accounts	4.26	4.26
<b>TOTAL</b>	<b>4,327.45</b>	<b>1,583.02</b>

### Note 5 : DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Index derivatives	70.71	440.73
<b>TOTAL</b>	<b>70.71</b>	<b>440.73</b>

Note : The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes 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 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	(₹ in Lakhs)			
	As at March 31, 2023		As at March 31, 2022	
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Assets
Index derivatives	52.01	70.71	228.06	440.73
<b>TOTAL</b>	<b>52.01</b>	<b>70.71</b>	<b>228.06</b>	<b>440.73</b>

#### 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 foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 44

#### Derivatives designated as hedging instruments:

The Company has not designated any derivatives as hedging instruments.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 6 : TRADE RECEIVABLES

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Trade receivables		
(i) Secured, undisputed considered good	-	-
(ii) Unsecured, undisputed considered good	238.74	317.42
Less: Allowance for expected credit loss	14.30	16.81
(iii) Credit impaired	360.05	290.10
Less: Allowance for expected credit loss	360.05	290.10
<b>TOTAL</b>	<b>224.44</b>	<b>300.61</b>

#### Note 6(i) : TRADE RECEIVABLES

Neither trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 days.

#### Trade receivables days past due:

Particulars	Current						(₹ in Lakhs)	
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total	
<b>ECL rate</b>		<b>4.98%</b>	<b>16.92%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>		
March 31, 2023	Gross carrying amount	218.70	20.03	87.92	61.58	210.55	598.77	
	ECL-Life time ECL Simplified approach	(10.89)	(3.39)	(87.92)	(61.58)	(210.55)	(374.33)	
	<b>Net carrying amount</b>	<b>207.81</b>	<b>16.64</b>	-	-	-	<b>224.44</b>	
<b>ECL rate</b>		<b>4.86%</b>	<b>42.35%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>		
March 31, 2022	Gross carrying amount	313.71	3.72	38.37	72.51	179.22	607.52	
	ECL-Life time ECL Simplified approach	(15.24)	(1.58)	(38.37)	(72.51)	(179.22)	(306.91)	
	<b>Net carrying amount</b>	<b>298.47</b>	<b>2.14</b>	-	-	-	<b>300.61</b>	

#### Reconciliation of impairment allowance on trade receivables :

Particulars	(₹ in Lakhs)	
	Amount	
<b>Impairment allowance measured as per simplified approach</b>		
Impairment allowance as at April 01, 2021	335.83	
Add: Changes in allowances due to		
Net re-measurement of loss allowances	(28.92)	
<b>Impairment allowance as at March 31, 2022</b>	<b>306.91</b>	
Add: Changes in allowances due to		
Net re-measurement of loss allowances	67.42	
<b>Impairment allowance as at March 31, 2023</b>	<b>374.33</b>	

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 7 : LOANS

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>A) Loans at amortised cost</b>		
Loans to related parties (Including interest accrued)	18,664.21	5,687.44
Other loans and advances	3.30	83.77
<b>Total (A) (Gross)</b>	<b>18,667.51</b>	<b>5,771.21</b>
Less: Impairment loss allowance	42.75	85.11
<b>Total (A) (Net)</b>	<b>18,624.76</b>	<b>5,686.10</b>
<b>B)</b> (i) Secured by tangible assets	-	-
(ii) Secured by intangible assets	-	-
(iii) Covered by bank/government guarantees	-	-
(iv) Unsecured	18,667.51	5,771.21
<b>Total (B) (Gross)</b>	<b>18,667.51</b>	<b>5,771.21</b>
Less: Impairment loss allowance	42.75	85.11
<b>Total (B) (Net)</b>	<b>18,624.76</b>	<b>5,686.10</b>
<b>C)</b> (i) Loans in India		
- Public sector	-	-
- Others	18,667.51	5,771.21
<b>Total (C) (Gross)</b>	<b>18,667.51</b>	<b>5,771.21</b>
Less: Impairment loss allowance	42.75	85.11
<b>Total [C (i)] (Net)</b>	<b>18,624.76</b>	<b>5,686.10</b>
(ii) Loans outside India	-	-
Less: Impairment loss allowance	-	-
<b>Total [C (ii)] (Net)</b>	<b>-</b>	<b>-</b>
<b>Total [C (i)+(ii)] (Net)</b>	<b>18,624.76</b>	<b>5,686.10</b>
Type of Borrower		
Loans to related parties : Subsidiaries		
Amount of loan or advance in the nature of loan outstanding	18,624.76	5,686.10
Percentage to total loan or advance in the nature of loan outstanding	100.00%	100.00%

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 8 : INVESTMENTS

Particulars	As at March 31, 2023				As at March 31, 2022				Total
	At Fair Value		Sub- total	Others (at cost)	At Fair Value		Sub- total	Others (at cost)	
	Amortised Cost	Through OCI profit or loss			Amortised Cost	Through OCI profit or loss			
(a) Equity Instruments	-	-	-	90,483.57	90,483.57	-	-	-	90,051.52
- Subsidiaries	-	-	-	90,483.57	90,483.57	-	-	-	90,051.52
- Others	-	681.05	681.05	-	681.05	-	536.54	536.54	536.54
(b) Debt securities	-	1,512.16	1,512.16	-	1,512.16	-	3,507.25	3,507.25	3,507.25
(c) Preference shares	-	424.56	424.56	-	424.56	-	376.77	376.77	376.77
(d) Units of Mutual funds	-	-	-	-	-	-	6.09	6.09	6.09
(e) Government and corporate securities	-	-	-	-	-	-	1,292.86	1,292.86	1,292.86
(f) Units of private equity	-	1,487.07	1,487.07	-	1,487.07	-	1,228.94	1,228.94	1,228.94
<b>Total Gross (A)</b>	-	<b>4,104.84</b>	<b>4,104.84</b>	<b>90,483.57</b>	<b>94,588.41</b>	-	<b>6,948.45</b>	<b>6,948.45</b>	<b>90,051.52</b>
Investments outside India	-	-	-	1,160.05	1,160.05	-	-	-	1,160.05
Investments in India	-	4,104.84	4,104.84	89,323.52	93,428.36	-	6,948.45	6,948.45	88,891.47
<b>Total Gross (B)</b>	-	<b>4,104.84</b>	<b>4,104.84</b>	<b>90,483.57</b>	<b>94,588.41</b>	-	<b>6,948.45</b>	<b>6,948.45</b>	<b>90,051.52</b>
Less : Impairment loss allowance (C)	-	-	-	871.67	871.67	-	-	-	871.07
<b>Total Net D= (A-C)</b>	-	<b>4,104.84</b>	<b>4,104.84</b>	<b>89,611.90</b>	<b>93,716.74</b>	-	<b>6,948.45</b>	<b>6,948.45</b>	<b>89,180.45</b>

#### Notes:

The Company has granted Employee Stock Options (ESOPs) to some employees of subsidiaries. To the extent, the Company has not recovered the cost of such ESOP grants, the same has been added to the carrying value of investment of these subsidiaries.

More information on valuation technologies can be found in Note 41.

The Company has received dividend ₹ 8.84 Lakhs (March 31, 2022 ₹ 5.90 Lakhs) from its Equity instruments, recorded as dividend income.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 9 : OTHER FINANCIAL ASSETS

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Security deposits	117.33	114.37
Advance for purchase of shares pending transfer	100.00	100.00
Other receivables	9.50	1.23
Contract assets	18.66	-
Less: Impairment loss allowance	103.61	100.00
<b>TOTAL</b>	<b>141.88</b>	<b>115.60</b>

### Note 10 : CURRENT TAX ASSETS (NET)

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Advance Income tax	344.90	689.97
[Net of provision for tax ₹ 5,889.45 Lakhs (Previous year ₹ 7,816.53 Lakhs )]		
<b>TOTAL</b>	<b>344.90</b>	<b>689.97</b>

### Note 11 : DEFERRED TAX ASSETS (NET)

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
MAT Credit Entitlement (refer Note 33.3)	1,451.48	1,451.48
Deferred tax assets (net) (refer Note 33.3)	1,565.18	1,133.75
<b>TOTAL</b>	<b>3,016.66</b>	<b>2,585.23</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 12 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Leasehold improvement	Building*	Furniture and fixtures	Vehicles	Office equipment	Computers hardware	Air conditioners	Total
<b>Gross block- at cost</b>								
<b>As at April 01, 2021</b>	-	7.85	90.92	414.62	107.32	37.62	11.95	670.28
Additions during the year	-	-	-	-	-	6.44	0.83	7.27
Disposals/ adjustments/ deductions	-	-	-	-	-	7.39	-	7.39
<b>As at March 31, 2022</b>	-	7.85	90.92	414.62	107.32	36.68	12.78	670.16
Additions during the year	-	-	-	25.15	0.36	16.71	-	42.22
Disposals/ adjustments/ deductions	-	-	-	28.42	-	3.19	-	31.61
<b>As at March 31, 2023</b>	-	7.85	90.92	411.36	107.68	50.19	12.78	680.77
Accumulated Depreciation								
<b>As at April 01, 2021</b>	-	0.54	31.13	147.53	68.43	28.26	5.30	281.19
Additions during the year	-	0.18	9.27	50.20	18.01	2.11	0.36	80.13
Disposals/ adjustments/ deductions	-	-	-	-	-	1.44	-	1.44
<b>As at March 31, 2022</b>	-	0.72	40.40	197.73	86.44	28.94	5.66	359.89
Additions during the year	-	0.18	8.99	45.80	4.99	5.75	0.33	66.03
Disposals/ adjustments/ deductions	-	-	-	14.31	-	3.01	-	17.32
<b>As at March 31, 2023</b>	-	0.90	49.39	229.21	91.43	31.68	6.00	408.61
<b>Net Block</b>								
<b>As at March 31, 2022</b>	-	7.13	50.52	216.89	20.88	7.74	7.11	310.29
<b>As at March 31, 2023</b>	-	6.95	41.54	182.14	16.25	18.51	6.78	272.17

\* (This relates to property owned by the Company and title deed is clear and is in name of the Company. The Company has not revalued any of its property, plant and equipment during the year.)

### Note 13 : RIGHT-OF-USE ASSETS

(₹ in Lakhs)

Particulars	Vehicles	Office Premises	Total
<b>As at April 01, 2021</b>	3.14	764.40	767.55
Additions during the year	-	-	-
Disposals/ adjustments/ deductions	-	-	-
<b>As at March 31, 2022</b>	3.14	764.40	767.55
Additions during the year	-	-	-
Disposals/ adjustments/ deductions	-	-	-
<b>As at March 31, 2023</b>	3.14	764.40	767.55
Accumulated Depreciation			
<b>As at April 01, 2021</b>	3.14	452.78	455.92
For the year	-	98.63	98.63
Disposals/ adjustments/ deductions	-	15.59	15.59
<b>As at March 31, 2022</b>	3.14	567.00	570.14
For the year	-	98.63	98.63

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 13: RIGHT-OF-USE ASSETS (Contd..)

Particulars			(₹ in Lakhs)
	Vehicles	Office Premises	Total
Disposals/ adjustments/ deductions	-	-	-
<b>As at March 31, 2023</b>	<b>3.14</b>	<b>665.63</b>	<b>668.77</b>
<b>Net Block</b>			
<b>As at March 31, 2022</b>	-	<b>197.40</b>	<b>197.41</b>
<b>As at March 31, 2023</b>	-	<b>98.78</b>	<b>98.78</b>

### Note 14 : OTHER INTANGIBLE ASSETS

Particulars			(₹ in Lakhs)
	Computer Software		Total
Gross block- at cost			
<b>As at April 01, 2021</b>	<b>35.32</b>		<b>35.32</b>
Additions during the year	-		-
Disposals/ adjustments/ deductions	-		-
<b>As at March 31, 2022</b>	<b>35.32</b>		<b>35.32</b>
Additions during the year	-		-
Disposals/ adjustments/ deductions	-		-
<b>As at March 31, 2023</b>	<b>35.32</b>		<b>35.32</b>
Accumulated Depreciation			
<b>As at April 01, 2021</b>	18.65		18.65
For the year	<b>6.71</b>		<b>6.71</b>
Disposals/ adjustments/ deductions	-		-
<b>As at March 31, 2022</b>	<b>25.36</b>		<b>25.36</b>
For the year	5.46		5.46
Disposals/ adjustments/ deductions	-		-
<b>As at March 31, 2023</b>	<b>30.82</b>		<b>30.82</b>
<b>Net Block</b>			
<b>As at March 31, 2022</b>	<b>9.96</b>		<b>9.96</b>
<b>As at March 31, 2023</b>	<b>4.50</b>		<b>4.50</b>

### Note 15 : OTHER NON-FINANCIAL ASSETS

Particulars			(₹ in Lakhs)
	As at March 31, 2023	As at March 31, 2022	
Prepaid expenses	25.14	24.13	
<b>TOTAL</b>	<b>25.14</b>	<b>24.13</b>	



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 16 : DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Embedded derivatives on redeemable market linked debentures	24,402.75	17,497.16
<b>TOTAL</b>	<b>24,402.75</b>	<b>17,497.16</b>

#### Notes:

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes 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.

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	(₹ in Lakhs)			
	As at March 31, 2023		As at March 31, 2022	
	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Liabilities
Embedded derivatives- market-linked debentures	Not Applicable	24,402.75	Not Applicable	17,497.16
<b>TOTAL</b>	<b>-</b>	<b>24,402.75</b>	<b>-</b>	<b>17,497.16</b>

#### 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 foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 44

#### Derivatives designated as hedging instruments :

The Company has not designated any derivatives as hedging instruments.

### Note 17 : PAYABLES

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Trade payables</b>		
(i) Total outstanding dues of micro and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	68.24	69.89
<b>Other payables</b>		
(i) Total outstanding dues of micro and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	4,680.50	6,740.50
<b>TOTAL</b>	<b>4,748.74</b>	<b>6,810.39</b>

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 47)

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 17 : PAYABLES (Contd..)

Trade payables outstanding for following periods from due date of payment

Particulars						(₹ in Lakhs)
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
<b>March 31, 2023</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	36.35	31.89	-	-	-	68.24
<b>Total</b>	<b>36.35</b>	<b>31.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68.24</b>
<b>March 31, 2022</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	50.09	19.80	-	-	-	69.89
<b>Total</b>	<b>50.09</b>	<b>19.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69.89</b>

Other payables outstanding for following periods from due date of payment

Particulars						(₹ in Lakhs)
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
<b>March 31, 2023</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	-	-	4,680.50	-	-	4,680.50
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4,680.50</b>	<b>-</b>	<b>-</b>	<b>4,680.50</b>
<b>March 31, 2022</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	-	6,740.50	-	-	-	6,740.50
<b>Total</b>	<b>-</b>	<b>6,740.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,740.50</b>

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 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.

### Note 18 : DEBT SECURITIES

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>At amortised Costs</b>		
Redeemable non-convertible market-linked debentures (Secured)		
(i) Privately Placed (Unlisted)	30,569.55	18,506.76
(ii) Privately Placed (Listed)	46.25	8,602.93
<b>TOTAL (A)</b>	<b>30,615.80</b>	<b>27,109.69</b>
Debt securities in India	30,615.80	27,109.69
Debt securities outside India	-	-
<b>TOTAL (B)</b>	<b>30,615.80</b>	<b>27,109.69</b>

Note : There is no debt security measured at FVTPL or designated FVTPL

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

## Note 18 : DEBT SECURITIES (Contd..)

### Terms of repayment

Redeemable at par/premium (from date of the Balance Sheet)*	(₹ in Lakhs)			
	Privately placed unlisted redeemable non-convertible debentures of ₹ 1 lakh each**		Privately placed listed redeemable non-convertible debentures of ₹ 1 lakh each***	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Maturing between 48 to 60 months	-	-	-	-
Maturing between 36 to 48 months	2,150.37	8,631.18	-	-
Maturing between 24 to 36 months	18,543.51	9,875.58	-	-
Maturing between 12 to 24 months	9,875.67	-	-	3,983.64
Maturing upto within 12 months	-	-	46.25	4,619.29
<b>TOTAL</b>	<b>30,569.55</b>	<b>18,506.76</b>	<b>46.25</b>	<b>8,602.93</b>

The Company has raised an amount of ₹ 21,232 lakhs (Previous year ₹ 29,894 lakhs) in multiple tranches through private placement by way of issue of Principal Protected Secured, Redeemable, Non-convertible Market Linked Debentures bearing a face value of ₹ 1,00,000 each are fully secured by a first pari-passu charge over specified assets. The Asset Cover as at March 31, 2023 exceeds hundred percent of the principal amount

### Nature of Security

\*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.

\*\*Secured by first pari passu floating charge created on present and future business receivables and investments upto 100% of the value of debenture and also Secured by pari passu charge on 19,649,542 Number of equity shares of Centrum Retail Services Limited (a subsidiary of the Company) held by Centrum Capital Limited

\*\*\*Secured by i) pari passu mortgage to be created over leasehold rights (to the extent of 210 sq. ft. of total sq. ft. of leasehold rights) in relation to leasehold property of Centrum Financial Services Limited (subsidiary company) and (ii) 76,99,542 Number of equity shares of Centrum Retail Services Limited (a subsidiary of the Company) held by Centrum Capital Limited.

## Note 19 : BORROWINGS (OTHER THAN DEBT SECURITIES)

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>At amortised cost</b>		
a) Term loan		
(i) Secured		
- from banks (refer Note 19(a))	29.03	54.70
- from others (refer Note 19(a))	0.80	5.30
b) Loan from related parties		
(i) Unsecured (refer Note 19(b))	7,025.00	25.00
c) Other loans and advances		
(i) Unsecured		
- Inter-corporate deposits (ICDs) other than related parties (refer Note 19(c))	815.08	2,853.08
d) Lease liabilities (refer Note 40)	113.74	216.70
<b>Total (A)</b>	<b>7,983.65</b>	<b>3,154.78</b>
Borrowings in India	7,983.65	3,154.78
Borrowings outside India	-	-
<b>Total (B)</b>	<b>7,983.65</b>	<b>3,154.78</b>

Note : There is no borrowings measured at FVTPL or designated at FVTPL

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 19 : BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd..)

The borrowings have not been guaranteed by directors or others. Further, the Company has not defaulted in repayment of principal and interest and also has used the borrowings from banks and financial institutions for the specific purpose for which it was taken, there is no deviation of any form. The Company have never been declared wilful defaulter by any bank.

#### a) Details of Term loans:

##### Terms of repayment in installments from banks

(₹ in Lakhs)					
Tenure from Balance Sheet date	Interest Rate range	Repayments details	As at March 31, 2023	Repayments details	As at March 31, 2022
Maturing between 48 to 60 months	6.90 % to 8.90%	-	-	-	-
Maturing between 36 to 48 months		These are repayable in 4 monthly equated periodic installments	2.31	-	-
Maturing between 24 to 36 months		These are repayable in 12 monthly equated periodic installments	6.56	These are repayable in 8 monthly equated periodic installments	-
Maturing between 12 to 24 months		These are repayable in 12 monthly equated periodic installments	6.03	These are repayable in 22 monthly equated periodic installments	9.04
Maturing upto within 12 months		These are repayable in 19 monthly equated periodic installments	14.13	These are repayable in 36 monthly equated periodic installments	45.66
<b>TOTAL</b>			<b>29.03</b>		<b>54.70</b>

##### Terms of repayment in installments from others

(₹ in Lakhs)						
Tenure from Balance Sheet date	Interest Rate range	Repayments details	As at March 31, 2023	Repayments details	As at March 31, 2022	
Maturing between 48 to 60 months	7.67 % to 10.43%	-	-	-	-	
Maturing between 36 to 48 months		-	-	These are repayable in 2 monthly equated periodic installments	-	
Maturing between 24 to 36 months		-	-	-	These are repayable in 12 monthly equated periodic installments	0.00
Maturing between 12 to 24 months		-	-	-	These are repayable in 14 monthly equated periodic installments	0.80
Maturing upto within 12 months		These are repayable in 2 monthly equated periodic installments	0.80	These are repayable in 24 monthly equated periodic installments	4.50	
<b>TOTAL</b>			<b>0.80</b>	-	<b>5.30</b>	

Nature of security of term loans from bank and others

The term loans are specifically vehicle loans and are secured against hypothecation of vehicles purchased there against.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 19 : BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd..)

#### b) Loan from related parties:

##### Terms of repayment

Particulars	Interest rate range		Repayments details	Amount ₹ in lakhs	
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022
Unsecured loan from related parties	-	-	Repayable on demand	25.00	25.00
Unsecured loan from related parties	13%	13%	Maturing upto within 12 months	7,000.00	6,310.00
<b>Total</b>				<b>7,025.00</b>	<b>6,335.00</b>

#### c) Other loans and advances:

##### Terms of repayment in installments from others

Particulars	Interest rate range	Repayments details	Amount ₹ in lakhs	
			As at March 31, 2023	As at March 31, 2022
Maturing between 48 to 60 months	For March 31, 2023	These are repayable on maturity as per terms	315.08	315.08
Maturing between 36 to 48 months	9% to 13%		-	-
Maturing between 24 to 36 months			-	-
Maturing between 12 to 24 months	For March 31, 2022		-	-
Maturing upto within 12 months	10% to 13%		500.00	2,538.00
<b>Total</b>			<b>815.08</b>	<b>2,853.08</b>

### Note 20 : OTHER FINANCIAL LIABILITIES

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Interest accrued on borrowings (other than debt instruments)	218.91	209.22
Interest accrued on debt instruments	8,211.17	4,537.38
Unpaid dividend*	4.26	4.26
Guarantee obligation	60.44	69.61
<b>TOTAL</b>	<b>8,494.78</b>	<b>4,820.47</b>

\*There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Act as at the year end.

### Note 21 : PROVISIONS

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Employee benefits		
Gratuity (refer Note 35)	16.97	11.06
Compensated absences	58.40	35.09
<b>TOTAL</b>	<b>75.37</b>	<b>46.15</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 22 : OTHER NON-FINANCIAL LIABILITIES

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	137.27	107.59
Advance received from customers	28.02	5.42
Provisions for Leave travel allowances	24.08	-
Provisions for Bonus	780.50	-
<b>TOTAL</b>	<b>969.87</b>	<b>113.01</b>

### Note 23 : EQUITY SHARE CAPITAL

#### 23.1 Details of Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
<b>Authorised shares</b>				
Equity shares of ₹ 1 each*	1,65,01,00,000	16,501.00	1,65,01,00,000	16,501.00
<b>Issued, subscribed and fully paid-up shares</b>				
Equity shares of ₹ 1 each fully paid up	41,60,32,740	4,160.33	41,60,32,740	4,160.33
<b>Total Equity</b>	<b>41,60,32,740</b>	<b>4,160.33</b>	<b>41,60,32,740</b>	<b>4,160.33</b>

\*(Refer note 45 (iii))

#### 23.2 Terms and rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹1 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 remaining assets of the Company, after distribution of all preferential amounts if any. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders

#### 23.3 Reconciliation of the number of Equity shares and of Equity share capital amount outstanding at the beginning and at the end of the year

Particulars	Number of Shares	₹ in lakhs
<b>As at April 01, 2021</b>	41,60,32,740	4,160.33
Issued during the year	-	-
<b>As at March 31, 2022</b>	41,60,32,740	4,160.33
Issued during the year	-	-
<b>As at March 31, 2023</b>	<b>41,60,32,740</b>	<b>4,160.33</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 23 : EQUITY SHARE CAPITAL (Contd..)

#### 23.4 Details of Equity shareholders holding more than 5% of the aggregate shares in the company

Equity shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	% holding	Number of Shares	% holding
Businessmatch Services (India) Private Limited	13,43,99,041	32.30	13,43,99,041	32.30
JBCG Advisory Services Private Limited	2,54,98,837	6.13	2,33,38,537	5.61
Kaikobad Byramjee & Son Agency Private Limited	5,40,18,000	12.98	5,40,18,000	12.98

#### 23.5 Details of Promoter's shareholdings

Promoter's name	As at March 31, 2023			As at March 31, 2022		
	Number of Shares	% holding	% of change during the year	Number of Shares	% holding	% of change during the year
Businessmatch Services (India) Private Limited	13,43,99,041	32.30	0%	13,43,99,041	32.30	0%
JBCG Advisory Services Private Limited	2,54,98,837	6.13	9.26%	2,33,38,537	5.61	0%
BG Advisory Services LLP	18,000	0.00	(98.23%)	10,18,000	0.24	0%

#### 23.6 Shares reserved for issue under Employee Stock Option Plan

Information relating to the Centrum Capital Limited Employee Stock Option Plan (ESOP), including details regarding options issued, exercised and lapsed during the year and options outstanding at the end of the reporting period is set out in Note 42

### Note 24 : OTHER EQUITY

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Capital reserve (Gift of 5,25,000 equity shares of Rap Media Limited- ₹ 1.00)	0.00	0.00
Securities premium	14,477.74	14,477.74
Treasury shares	(2,223.04)	(2,310.54)
ESOP Trust reserve	2,367.52	2,365.00
Retained earnings from Centrum Microcredit Limited merger	311.04	311.04
Share options outstanding account	1,007.48	662.09
General reserve	4,165.74	3,797.65
Equity instruments through Other Comprehensive Income	(91.40)	(91.40)
Retained earnings	19,934.55	27,174.37
<b>Total</b>	<b>39,949.64</b>	<b>46,385.95</b>

#### 24.1 Nature and purpose of other equity

##### Capital reserve

Capital reserve is created due to gift of 5,25,000 equity shares of Rap Media Limited

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 24 : OTHER EQUITY (Contd..)

#### Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

#### Treasury shares

The Centrum ESPS Trust is extension of Company's financial statements. The Centrum ESPS trust are holding 1,82,22,234 number of equity shares ( Previous year 1,89,22,234) amounting to ₹ 2,223.04 lakhs ( Previous year ₹ 2,310.54 lakhs)

#### Share options outstanding account

The Employee stock options outstanding represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the Statement of profit and loss in respect of equity-settled share options granted to the eligible employees of the Company and its subsidiaries in pursuance of the Employee Stock Option Plan.

#### General reserve

General reserve is a free reserve available for distribution subject to compliance with the Companies (Declaration and Payment of Dividend) Rules, 2014.

#### Equity instruments through Other Comprehensive Income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings then the relevant equity securities are derecognised.

#### Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves

#### Other Comprehensive Income (OCI)

This represents equity instruments carried at fair value through OCI and remeasurement of employee benefits (gratuity and post retirement benefits).

### Note 25 : SALES OF SERVICES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Syndication, commission and brokerage	2,090.39	2,808.76
<b>TOTAL</b>	<b>2,090.39</b>	<b>2,808.76</b>

Other Ind AS 115 disclosures- Revenue from contracts with customers



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 25 : SALES OF SERVICES (Contd..)

Set out below is the disaggregation of the revenue from contracts with customers

Particulars	(₹ in Lakhs)	
	March 31, 2023	March 31, 2022
Syndication, commission and brokerage	2,090.39	2,808.76
	<b>2,090.39</b>	<b>2,808.76</b>
<b>Total revenue from contracts with customers :</b>		
<b>Geographical markets</b>		
India	2,059.84	2,682.32
Outside India	30.55	126.44
<b>Total revenue from contracts with customers</b>	<b>2,090.39</b>	<b>2,808.76</b>
Timing of revenue recognition :		
Services transferred at point in time	2,090.39	2,808.76
Services transferred overtime	-	-
<b>Total revenue from contracts with customers</b>	<b>2,090.39</b>	<b>2,808.76</b>

Note: The Company satisfies its performance obligations on completion of service with regards to investment banking, advisory and other fees. The payments on these contracts is due on completion of service, the contracts do not contain significant financing components and the consideration is not variable.

### Note 26 : NET GAIN/(LOSS) ON FAIR VALUE CHANGES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>A) Net gain /(loss) on financial instruments at FVTPL</b>		
i) On trading portfolio		
- Investment - In Bonds	(43.81)	(18.96)
ii) On Non-trading portfolio		
- Equity shares	144.50	14.83
- Preference shares	47.79	2.16
- Compulsory convertible debentures	(1,995.09)	322.57
- Mutual funds	0.33	7.78
- Units of Private Equity/Funds	211.40	205.86
<b>B) Total Net gain on fair value changes</b>	<b>(1,634.88)</b>	<b>534.24</b>
Fair value changes :		
- Realised	(43.49)	88.57
- Unrealised	(1,591.39)	445.67
<b>C) Total Net gain on financial instruments at FVTPL (B=C)</b>	<b>(1,634.88)</b>	<b>534.24</b>

### Note 27 : OTHER INCOME

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
On financial assets measured at amortised cost		
- Interest on loans	1,194.04	1,664.36
- Interest on deposits with banks	330.11	65.79
- Other interest income	4.96	4.51
On financial assets measured at FVTPL		
- Interest income on financial assets	225.49	154.92
Interest on income tax refund	87.36	95.63

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 27 : OTHER INCOME (Contd..)

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Rental income	0.60	3.60
Dividend on Equity shares	8.84	5.90
Foreign exchange gain (net)	0.05	0.45
Gain on modification of leases	-	16.60
Guarantee income	31.54	43.62
Shared resource income	1,327.52	528.83
Miscellaneous income	14.37	21.08
<b>TOTAL</b>	<b>3,224.88</b>	<b>2,605.29</b>

### Note 28 : FINANCE COSTS

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>On financial liabilities measured at amortised cost:</b>		
Interest on :		
- Debt securities	6,881.18	4,873.44
- Borrowings (other than debt securities)	224.26	466.72
- Lease liabilities (refer Note 40)	17.04	26.80
Other interest expenses	0.03	128.63
Other borrowing costs	4.89	12.71
<b>TOTAL</b>	<b>7,127.40</b>	<b>5,508.30</b>

### Note 29 : IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Impairment on financial instruments measured at cost</b>		
- on investments	0.60	871.07
- on trade receivables/ write-off	67.44	39.58
- on other receivables	37.89	(51.06)
<b>TOTAL</b>	<b>105.93</b>	<b>859.59</b>

### Note 30 : EMPLOYEE BENEFITS EXPENSES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and bonus	2,930.31	1,874.34
Contribution to provident and other funds	64.02	63.79
Share-based Payments to employees (refer Note 42)	240.31	13.01
Gratuity (refer Note 35)	11.15	13.38
Staff welfare expenses	24.71	21.92
<b>TOTAL</b>	<b>3,270.50</b>	<b>1,986.44</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 31 : DEPRECIATION AND AMORTISATION

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (refer Note 12)	66.03	80.12
Depreciation on Right-of-Use assets (refer Note 13)	98.63	98.63
Amortisation of intangible assets (refer Note 14)	5.46	6.71
<b>TOTAL</b>	<b>170.12</b>	<b>185.46</b>

### Note 32 : OTHER EXPENSES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Rent	109.95	146.43
Rates and taxes	1.08	1.23
Energy costs	14.59	14.69
Repair and maintenance	2.44	2.10
Insurance	20.58	16.26
Advertisement and publicity	1.90	1.77
Computer and software expenses	4.17	0.87
Business promotion expenses	95.46	124.71
Subscription and membership fees	13.44	17.49
Commission and brokerage	219.17	47.74
Travelling and conveyance	126.00	59.84
Vehicle expenses	102.99	93.64
Communication costs	12.69	18.00
Printing and stationery	10.19	5.70
Legal and professional charges	344.31	595.62
Office expenses	43.81	53.69
Director's sitting fees	65.38	77.41
Loss on sale of property, plant and equipment	10.11	5.75
Auditors remuneration (refer Note 32.1)	39.95	38.34
Modification (Gain)/Loss	43.51	-
Miscellaneous expenses	12.51	22.34
<b>TOTAL</b>	<b>1,294.23</b>	<b>1,343.61</b>

#### Note 32.1 : Auditors Remunerations

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Statutory audit fees	21.00	21.00
Other services	12.00	12.00
Certification work	5.50	3.25
Out-of-pocket expenses	1.45	2.09
<b>TOTAL</b>	<b>39.95</b>	<b>38.34</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 32.2 : Undisclosed Income

The details is not applicable to the Company, related to transactions 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), unless there is immunity for disclosure under any scheme and shall also state whether the previously unrecorded income and related assets have been properly recorded in the books of account during the year.

### Note 32.3 : Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year 2022-23.

## Note 33 : INCOME TAXES

### 33.1 The components of income tax expense for the year ended March 31, 2023 and year ended March 31, 2022

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Current tax	0.13	92.51
Adjustment in respect of earlier years	(118.93)	(119.10)
Deferred tax relating to origination and reversal of temporary differences	(431.50)	(137.34)
<b>Income tax expense reported in statement of profit and loss</b>	<b>(550.30)</b>	<b>(163.93)</b>
Current tax	(118.80)	(26.60)
Deferred tax	(431.50)	(137.34)
<b>Income tax recognised in Other Comprehensive Income (OCI)</b>		
Deferred tax related to items recognised in OCI during the year:		
- Fair value changes on equity instruments through OCI	-	-
- Remeasurement of defined benefit plans	(0.07)	(1.61)
<b>Income tax charged to OCI</b>	<b>(0.07)</b>	<b>(1.61)</b>

### 33.2 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 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, 2023 and March 31, 2022 is, as follows:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	(7,787.79)	(3,450.38)
Applicable statutory enacted income tax rate	26.00%	26.00%
Computed tax expense	(2,024.82)	(897.10)
<b>Increase/(reduction) in Taxes on account of</b>		
Items (net) not deductible for tax/not liable to tax		
Unabsorbed depreciation/ business loss	1,582.90	852.27
Others	-	-
<b>Income not subject to tax or chargeable at lower rate</b>		
Dividend income	-	-
Capital receipt (net)	10.56	-
MAT credit entitlement	-	-
<b>Tax expense relating to earlier years (net)</b>	<b>(118.93)</b>	<b>(119.10)</b>
<b>Income tax expense reported in the Statement of profit and loss</b>	<b>(550.30)</b>	<b>(163.93)</b>
Effective tax rate	5.54%	1.30%

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### 33.3 Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense.

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax assets</b>		
Expenses allowable under Section 43B of the Income Tax Act, 1961 on payment basis	639.09	192.61
Impairment allowance for financial assets	652.02	667.04
Fair valuation of financial instruments	17.12	16.31
Property, plant and equipment	102.92	114.39
Employee benefit obligations	19.60	17.51
MAT credit entitlement	1,451.48	1,451.48
Others	134.43	125.90
<b>Deferred tax assets (A)</b>	<b>3,016.66</b>	<b>2,585.23</b>
<b>Deferred tax liabilities</b>		
Fair valuation of financial instruments	-	-
Others	-	-
<b>Deferred tax liabilities (B)</b>	<b>-</b>	<b>-</b>
<b>Deferred tax assets (net) [(A)- (B)]</b>	<b>3,016.66</b>	<b>2,585.23</b>

Equity shareholders	Year ended March 31, 2023		Year ended March 31, 2022	
	Income Statement	OCI	Income Statement	OCI
<b>Deferred tax assets</b>				
Expenses allocable under Section 43B of the Income Tax Act, 1961 on payment basis	(446.48)	-	11.86	-
Impairment allowance for financial assets	15.02	-	(136.64)	-
Fair valuation of financial instruments	(0.81)	-	133.28	-
Property, plant and equipment	11.47	-	(1.67)	-
Employee benefit obligations	(2.16)	0.07	(9.64)	1.61
MAT credit entitlement	-	-	26.97	-
Others	(8.53)	-	(119.24)	-
<b>Deferred tax assets (A)</b>	<b>(431.49)</b>	<b>0.07</b>	<b>(95.08)</b>	<b>1.61</b>
<b>Deferred tax liabilities</b>				
Others	-	-	15.29	-
Deferred tax liabilities (B)	-	-	15.29	-
<b>Total (net) [(A)- (B)]</b>	<b>(431.49)</b>	<b>0.07</b>	<b>(110.37)</b>	<b>1.61</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 34: EARNING PER SHARE (EPS)

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	₹ in Lakhs unless stated otherwise	
	Year ended March 31, 2023	Year ended March 31, 2022
Net profit attributable to ordinary equity holders (A)	(7,237.49)	(3,391.51)
Weighted average number of equity shares for basic EPS (B)	41,60,32,740	41,60,32,740
Weighted average number of equity shares for diluted EPS (C)	41,60,32,740	41,60,32,740
Basic earnings per equity share (face value of ₹ 1 per share) (A/B)	(1.74)	(0.82)
Diluted earnings per equity share (face value of ₹ 1 per share) (A/C)	(1.74)	(0.82)

### Note 35: EMPLOYEE BENEFIT PLANS

#### 35.1 : Defined contribution plans

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees. The Company makes Provident Fund contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

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. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes:

Particulars	₹ in Lakhs	
	Year ended March 31, 2023	Year ended March 31, 2022
Provident fund	64.02	63.79

#### 35.2 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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### 35.2 Defined benefit plans (Contd..)

the funded status and amounts recognised in the balance sheet for the gratuity plan:

#### Net assets/(liability) recognised in the Balance Sheet

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	(198.06)	(178.28)
Fair value of plan assets	181.08	167.22
<b>Defined Benefit obligation asset/(liability)</b>	<b>(16.97)</b>	<b>(11.06)</b>

#### Net benefit expense recognised in statement of profit and loss

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	10.41	13.10
Past service cost	-	-
Net Interest on net defined benefit liability/ (asset)	0.74	0.28
<b>Net benefit expense</b>	<b>11.15</b>	<b>13.38</b>

#### Remeasurement gain/ (loss) in Other Comprehensive Income (OCI)

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Re-measurements on defined benefit obligation		
Actuarial gain/(loss) arising from changes in demographic assumptions	(2.35)	(0.11)
Actuarial gain/(loss) arising from changes in financial assumptions	1.22	10.40
Actuarial gain/(loss) arising from experience over the past years	0.58	(7.73)
Re-measurements on plan assets		
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	0.29	(8.75)
<b>Actuarial gain /(loss) (through OCI)</b>	<b>(0.26)</b>	<b>(6.19)</b>

#### Details of changes in present value of defined benefit obligations as follows:

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation at the beginning of the year	178.27	167.05
Current service cost	10.41	13.10
Past service cost	-	-
Interest cost on benefit obligations	11.94	10.84
Re-measurements:		
a. Actuarial loss/(gain) arising from changes in demographic assumptions	(2.35)	(0.11)
b. Actuarial loss/ (gain) arising from changes in financial assumptions	1.22	10.40
c. Actuarial loss/ (gain) arising from experience over the past years	0.58	(7.73)
Benefits paid	(2.02)	(15.28)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>198.06</b>	<b>178.27</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### 35.2 Defined benefit plans (Contd..)

Details of changes in fair value of plan assets are as follows:

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	167.23	162.70
Interest income on plan assets	11.20	9.80
Employer contributions	4.97	1.26
Benefits paid	(2.02)	(15.28)
Re-measurements:	-	-
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(0.29)	8.75
<b>Fair value of plan assets as at the end of the year</b>	<b>181.08</b>	<b>167.23</b>

### 35.3 Defined benefit plan assets

Category of assets (% allocation)	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
- Government securities	-	-
- Insurance fund	181.08	167.22
<b>Total</b>	<b>181.08</b>	<b>167.22</b>

### 35.4 The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Expected return on plan assets	7.46%	6.70%
Rate of discounting	7.46%	6.70%
Rate of salary increase	10.00%	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.



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### 35.5 Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as follows

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
One percentage point increase in discount rate	(10.35)	(8.02)
One percentage point decrease in discount rate	11.58	8.92
One percentage point increase in salary growth rate	4.57	3.91
One percentage point decrease in salary growth rate	(4.52)	(4.12)
One percentage point increase in employee turnover rate	1.34	0.90
One percentage point decrease in employee turnover rate	(1.53)	(1.02)

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.

### 35.6 Maturity profile of defined benefit obligation are as follows

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
1 <sup>st</sup> Following Year	17.21	37.40
2 <sup>nd</sup> Following Year	17.82	16.33
3 <sup>rd</sup> Following Year	47.33	16.32
4 <sup>th</sup> Following Year	27.83	27.98
5 <sup>th</sup> Following Year	12.83	24.34
Sum of Years 6 to 10	77.37	56.04
Sum of Years 11 and above	132.99	86.02

### Note 36 : CONTINGENT LIABILITIES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Corporate guarantees given by the Company* :		
- Subsidiaries	72,691.40	1,01,327.32

[\*Out of above, loan availed ₹ 71,490.98 lakhs (Previous year ₹ 78,568.86 lakhs) and out of these outstanding loan amount stands to ₹ 47,659.62 (Previous year ₹ 53,816.80 lakhs)\*]

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 37 : Capital Management

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.

### Note 38: 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.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	532.80	-	532.80	2,025.99	-	2,025.99
Bank balance other than cash and cash equivalents above	4,327.45	-	4,327.45	1,583.02	-	1,583.02
Derivative financial instruments	70.71	-	70.71	413.51	27.23	440.74
Receivables -trade	224.44	-	224.44	300.61	-	300.61
Loans	18,624.76	-	18,624.76	5,686.10	-	5,686.10
Investments	-	93,716.74	93,716.74	1,298.94	94,829.96	96,128.90
Other financial assets	30.03	111.85	141.88	0.99	114.61	115.60
<b>Non-financial assets</b>						
Current tax assets (net)	-	344.90	344.90	-	689.97	689.97
Deferred tax assets (net)	-	3,016.66	3,016.66	-	2,585.23	2,585.23
Property, plant and equipment	-	272.17	272.17	-	310.29	310.29
Right-of-Use assets	-	98.78	98.78	-	197.40	197.40
Other intangible assets	-	4.51	4.51	-	9.96	9.96
Other non-financial assets	20.46	4.67	25.14	17.24	6.89	24.13
<b>Total Assets</b>	<b>23,830.65</b>	<b>97,570.28</b>	<b>1,21,400.94</b>	<b>11,326.41</b>	<b>98,771.55</b>	<b>1,10,097.94</b>

(₹ in Lakhs)

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 38: MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd..)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	(₹ in Lakhs)					
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Derivative financial instruments Payables	5.77	24,396.99	24,402.75	1,458.05	16,039.11	17,497.16
Trade payables	68.24	-	68.24	69.89	-	69.89
Other payables	4,680.50	-	4,680.50	6,740.50	-	6,740.50
Debt securities	46.25	30,569.55	30,615.80	4,619.29	22,490.40	27,109.69
Borrowings (other than Debt securities)	7,628.68	354.97	7,983.65	2,733.16	421.62	3,154.78
Other financial liabilities	255.67	8,239.11	8,494.78	1,299.83	3,520.64	4,820.47
<b>Non-financial liabilities</b>						
Provisions	29.27	46.10	75.37	17.32	28.83	46.15
Other non-financial liabilities	969.87	-	969.87	113.01	-	113.01
<b>Total Liabilities</b>	<b>13,684.25</b>	<b>63,606.72</b>	<b>77,290.97</b>	<b>17,051.05</b>	<b>42,500.59</b>	<b>59,551.64</b>
<b>Net</b>	<b>10,146.40</b>	<b>33,963.56</b>	<b>44,109.97</b>	<b>(5,724.64)</b>	<b>56,270.96</b>	<b>50,546.30</b>

(Note : The Company in addition to generating operating income from merchant banking activities, is also a holding Company of profitable subsidiaries involved in diversified businesses and receives dividend distribution at regular interval and will be comfortably able to meet it's obligations at all points of time.)

### Note 39: CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	(₹ in Lakhs)				
	As at April 1, 2022	Cash flows (net)	Changes in fair value	Others	As at March 31, 2023
Debt securities including accrued interest thereon	31,646.98	531.75	-	6,648.23	38,826.97
Borrowings other than debt securities including accrued interest thereon	3,373.69	4,811.83	-	17.04	8,202.56
<b>Total liabilities from financing activities</b>	<b>35,020.67</b>	<b>5,343.58</b>	<b>-</b>	<b>6,665.27</b>	<b>47,029.53</b>

(Note : Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees, etc.)

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 40: LEASES

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Following are the changes in the carrying value of Right-of-Use assets:

Particulars	Category of RoU asset		(₹ in Lakhs)
	Vehicle	Office premises	Total
<b>As at April 1, 2021</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	3.14	764.40	<b>767.55</b>
Additions	-	-	-
Disposals and transfers	-	-	-
<b>Closing gross carrying amount</b>	<b>3.14</b>	<b>764.40</b>	<b>767.55</b>
<b>Accumulated depreciation</b>			
<b>As at April 1, 2022</b>	<b>3.14</b>	<b>567.00</b>	<b>570.15</b>
Depreciation charge during the year	-	98.63	<b>98.63</b>
Disposals and transfers	-	-	-
Closing accumulated depreciation	3.14	665.63	<b>668.77</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>-</b>	<b>98.77</b>	<b>98.77</b>

The aggregate depreciation expense on Right-of-Use assets is included under depreciation and amortisation 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	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Balance as at beginning</b>	216.71	342.11
Additions	-	-
Finance cost accrued during the period	17.04	26.79
Deletions	-	(32.19)
Payment of lease liabilities	(120.00)	(120.00)
<b>Balance as at end</b>	<b>113.75</b>	<b>216.71</b>

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

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
upto 3 months	30.00	30.00
3 to 6 months	30.00	30.00
6 to 12 months	60.00	60.00
1 year to 3 year	0.00	120.00
More than 3 years	0.00	0.00
<b>Total</b>	<b>120.00</b>	<b>240.00</b>

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

Rental expense recorded for short-term leases was ₹ 109.95 lakhs and ₹ 146.43 lakhs for the year ended March 31, 2023 and March 31, 2022 respectively. There are no rental expense recorded for low-value assets or for any of variable lease payments for any of the reporting year.

**Note 41 : FAIR VALUE MEASUREMENT**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Particulars	As at March 31, 2023					As at March 31, 2022				
	FVTPL	FVOCI	Amortised Cost	Others*	Total	FVTPL	FVOCI	Amortised Cost	Others*	Total
<b>Financial Asset</b>										
Cash and cash equivalents	-	-	532.80	-	532.80	-	-	2,025.99	-	2,025.99
Bank balance other than cash and cash equivalents above	-	-	4,327.45	-	4,327.45	-	-	1,583.02	-	1,583.02
Derivative financial instruments	70.71	-	-	-	70.71	440.73	-	-	-	440.73
Trade receivables	-	-	224.44	-	224.44	-	-	300.61	-	300.61
Loans	-	-	18,624.76	-	18,624.76	-	-	5,686.10	-	5,686.10
Investments										
- Equity shares of subsidiaries	-	-	-	90,483.57	90,483.57	-	-	-	90,051.52	90,051.52
- Other equity investments	681.05	-	-	-	681.05	536.54	-	-	-	536.54
- Units of Mutual funds	-	-	-	-	-	6.09	-	-	-	6.09
- Government and corporate securities	-	-	-	-	-	1,292.86	-	-	-	1,292.86
- Debt securities	1,512.16	-	-	-	1,512.16	3,507.25	-	-	-	3,507.25
- Preference shares	424.56	-	-	-	424.56	376.77	-	-	-	376.77
- Units of private equity	1,487.07	-	-	-	1,487.07	1,228.94	-	-	-	1,228.94
Other financial assets	-	-	141.88	-	141.88	-	-	115.60	-	115.60
<b>Total Financial Assets</b>	<b>4,175.55</b>	<b>-</b>	<b>23,851.33</b>	<b>90,483.57</b>	<b>1,18,510.45</b>	<b>7,389.18</b>	<b>-</b>	<b>9,711.32</b>	<b>90,051.52</b>	<b>1,07,152.03</b>
<b>Financial Liability</b>										
Derivative financial instruments	24,402.75	-	-	-	24,402.75	17,497.16	-	-	-	17,497.16
Payables										
Trade payables	-	-	68.24	-	68.24	-	-	69.89	-	69.89
Other payables	-	-	4,680.50	-	4,680.50	-	-	6,740.50	-	6,740.50
Debt securities	-	-	30,615.80	-	30,615.80	-	-	27,109.69	-	27,109.69
Borrowings (other than Debt securities)	-	-	7,983.65	-	7,983.65	-	-	3,154.78	-	3,154.78
Other financial liabilities	-	-	8,494.78	-	8,494.78	-	-	4,820.47	-	4,820.47
<b>Total Financial Liabilities</b>	<b>24,402.75</b>	<b>-</b>	<b>51,842.97</b>	<b>-</b>	<b>76,245.73</b>	<b>17,497.16</b>	<b>-</b>	<b>41,895.32</b>	<b>-</b>	<b>59,392.48</b>

\* Investment in subsidiaries, associate and joint venture are measured at cost in accordance with Ind AS 27, Separate Financial Statements.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### 41.2 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, 2023			As at March 31, 2022				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets:-</b>								
<b>Financial assets measured at FVTPL</b>								
Options	70.71	-	-	70.71	440.73	-	-	440.73
<b>Financial investments measured at FVTPL</b>								
- Equity investments	681.05	-	-	681.05	536.54	-	-	536.54
- Units of Mutual funds	-	-	-	-	6.09	-	-	6.09
- Government and corporate securities	-	-	-	-	1,292.86	-	-	1,292.86
- Debt securities	-	-	1,512.16	1,512.16	-	-	3,507.25	3,507.25
- Preference shares	-	-	424.56	424.56	-	-	376.77	376.77
- Units of private equity	-	-	1,487.07	1,487.07	-	-	1,228.94	1,228.94
<b>Financial investments measured at FVOCI</b>								
- Unlisted equity instruments	-	-	-	-	-	-	-	-
<b>Total Financial assets</b>	<b>751.76</b>	<b>-</b>	<b>3,423.79</b>	<b>4,175.55</b>	<b>2,276.22</b>	<b>-</b>	<b>5,112.96</b>	<b>7,389.18</b>
<b>Financial liabilities:-</b>								
<b>Financial Liabilities measured at FVTPL</b>								
Embedded derivatives on redeemable market linked debentures	-	24,402.75	-	24,402.75	-	17,497.16	-	17,497.16
<b>Total Financial liabilities</b>	<b>-</b>	<b>24,402.75</b>	<b>-</b>	<b>24,402.75</b>	<b>-</b>	<b>17,497.16</b>	<b>-</b>	<b>17,497.16</b>

\* Investment in subsidiaries, associate and joint venture are measured at cost in accordance with Ind AS 27, Separate Financial Statements.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### 41.3 Financial assets and liabilities measured at amortised cost for which fair value is disclosed

Particulars	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
(₹ in Lakhs)					
<b>Financial assets</b>					
Cash and cash equivalents	Level 2	532.80	532.80	2,025.99	2,025.99
Bank balances other than cash and cash equivalents above	Level 2	4,327.45	4,327.45	1,583.02	1,583.02
Receivables -trade	Level 2	224.44	224.44	300.61	300.61
Loans	Level 3	18,624.76	18,624.76	5,686.10	5,686.10
Security deposits	Level 3	117.33	117.33	114.37	114.37
Other receivables	Level 3	28.16	28.16	1.23	1.23
<b>Financial liabilities</b>					
Payables					
Trade payables	Level 3	68.24	68.24	69.89	69.89
Other payables	Level 3	4,680.50	4,680.50	6,740.50	6,740.50
Debt securities	Level 2	30,615.80	30,615.80	27,109.69	27,109.69
Borrowings (other than Debt securities)	Level 2	7,983.65	7,983.65	3,154.78	3,154.78
Interest accrued on borrowings (other than debt instruments)	Level 2	218.91	218.91	209.22	209.22
Interest accrued on debt instruments	Level 2	8,211.17	8,211.17	4,537.38	4,537.38
Unpaid dividend	Level 2	4.26	4.26	4.26	4.26
Guarantee obligation	Level 3	60.44	60.44	69.61	69.61

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.

#### Notes:

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank deposits, Trade receivables, debts and borrowings. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

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

#### 41.4 Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments and

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### 41.4 Valuation technique used to determine fair value (Contd..)

- for other financial instruments – discounted cash flow analysis

#### Specific valuation techniques used to value financial instruments include:

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities, a contingent consideration receivable and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

### 41.5 Valuation processes

The finance department of the company includes a team that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every six months, in line with the company's half-yearly reporting periods.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Discount rates for financial assets and financial liabilities are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk gradings determined by company's internal credit risk management group.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.
- Contingent consideration – expected cash inflows are estimated based on the terms of the sale contract and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the half-yearly valuation discussion between the CFO, Audit Committee and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

### 41.6 Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2023 and March 31, 2022:

Particulars	Unlisted equity shares	Debt instruments	Preference shares	Units of private equity	(₹ in Lakhs)
					Total
<b>As at April 01, 2021</b>	-	-	359.81	650.78	1,010.59
Acquisitions during the year	-	-	-	372.31	372.31
Disposals/redemption during the year	-	-	75.21	-	75.21
Conversions into equity shares during the year	-	-	-	-	-
Gains/(losses) recognised in profit or loss*	-	-	92.17	205.86	298.03
Gains/(losses) recognised in other comprehensive income*	-	-	-	-	-
<b>As at March 31, 2022</b>	-	-	<b>376.77</b>	<b>1,228.95</b>	<b>1,756.14</b>
Acquisitions during the year	-	-	-	46.73	46.73
Disposals/redemption during the year	-	-	-	-	-



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### 41.6 Fair value measurements using significant unobservable inputs (level 3) (Contd..)

Particulars	(₹ in Lakhs)				
	Unlisted equity shares	Debt instruments	Preference shares	Units of private equity	Total
Conversions into equity shares during the year	-	-	-	-	-
Gains/(losses) recognised in profit or loss*	-	-	47.79	211.40	259.19
Gains(losses) recognised in other comprehensive income*	-	-	-	-	-
<b>As at March 31, 2023</b>	-	-	<b>424.56</b>	<b>1,487.08</b>	<b>1,911.63</b>
For the year ended March 31, 2022			92.17	205.86	298.02
For the year ended March 31, 2023			47.79	211.40	259.19

\* Includes unrealised gains/(losses) recognised in profit and loss related to assets and liabilities held at the end of the reporting period

### 41.7 Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted.

Particulars	(₹ in Lakhs)	
	Fair value as at	
	Year ended March 31, 2023	Year ended March 31, 2022
Unlisted equity shares	-	-
Debt instruments	-	-
Preference shares	424.56	891.81
Units of private equity	1,487.08	1,228.95

### Note 42: EMPLOYEE STOCK OPTION PLAN

The Company provides share-based payment to its employees. The Company has two employees Stock Option Schemes viz. CCL Employee Stock Option Scheme 2017 and CCL Employee Stock Option Scheme 2018.

#### CCL Employee Stock Option Scheme 2017

The Scheme was approved by the Shareholders on August 31, 2017 for grant of stock options and all the granted options shall vest with the participant on the last day of the of 1<sup>st</sup> year from the Grant date.

#### CCL Employee Stock Option Scheme 2018

The Scheme was approved by Shareholders on March 29, 2018 for grant of stock options and below are vesting requirements :

Sr. No.	Particulars	Maximum options entitled for vesting
1	At the end of Year 1 from the Grant date	20 (Twenty)% of total options granted
2	At the end of Year 2 from the Grant date	20 (Twenty)% of total options granted
3	At the end of Year 3 from the Grant date	20 (Twenty)% of total options granted
4	At the end of Year 4 from the Grant date	20 (Twenty)% of total options granted
5	At the end of Year 5 from the Grant date	20 (Twenty)% of total options granted

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 42: EMPLOYEE STOCK OPTION PLAN (Contd..)

The details of activity under both the Schemes (Face value of ₹ 1 each) are summarized below:

Particulars	Number of options for the year ended	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Scheme 2017 : Face value of ₹1 each</b>	-	-
Exercise price	Refer Note A below	Refer Note A below
Options outstanding as at beginning of the year	8,00,000	8,00,000
Add: Granted	98,20,000	-
Less: Exercised	7,00,000	-
Less: Forfeited	-	-
Less: Expired	-	-
Option outstanding end of the year	99,20,000	8,00,000
Exercisable at the end of the year	1,00,000	8,00,000
<b>Scheme 2018 : Face value of ₹1 each</b>		
Exercise price	Refer Note A below	Refer Note A below
Option outstanding as at beginning of the year	38,00,000	38,00,000
Add Granted	-	-
Less: Exercised	-	-
Less: Forfeited	-	-
Less: Expired	-	-
Option outstanding as at end of the year	38,00,000	38,00,000
Exercisable at the end of the year	18,50,000	18,50,000

#### Note A:

Particulars	Scheme 2017	Scheme 2018
Exercise price/Pricing formula	The Exercise Price for the Options granted shall be ₹12.50 per share	The Exercise Price for the Options granted shall be decided by the Board/Committee/Trust, in such manner, during such period, in one or more tranches and on such terms and conditions as it may deem fit, provided that the exercise price per option shall not be less than the face value of the equity share of the Company and shall be subject to compliance with the accounting policies under the Regulations as may be applicable.
Total number of stock options approved (total shares lying with the Trust)	2,45,81,160	2,45,81,160
Maximum term of stock options granted	5 years	5 years
Source of shares (primary, secondary or combination)	Secondary	Secondary
Date of Grant	Various Dates	Various Dates
Total number of Options granted	1,16,20,000	38,00,000
Method of settlement	Equity	Equity
Total Number of Granted but not vested	98,20,000	19,50,000
Vested but not exercised	1,00,000	18,50,000
Exercise period	5 Years from each grant date	5 Years from each grant date
Weighted average share price at the date of exercise for stock options exercised during the year	NA	NA

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 42: EMPLOYEE STOCK OPTION PLAN (Contd..)

#### Details of Options granted:

Particulars	Scheme 2017				Scheme 2018		
	Sept 17, 2019	Oct 1 2018	Apr 12, 2018	Jun 22, 2022	July 26, Sept 17 and 20, 2019	August 29, 2018	December 14, 2018
Number of Options granted	5,00,000	5,00,000	12,00,000	98,20,000	21,50,000	10,00,000	7,50,000
Number of Options forfeited/Cancelled	-	-	4,00,000	-	-	1,00,000	-
Number of Options granted (net)	5,00,000	5,00,000	8,00,000	98,20,000	21,50,000	9,00,000	7,50,000
Range of Risk free interest rate	6.46%	8.04%	7.32%	6.72%	-	8.14%	7.35%
Dividend yield	0.16%	0.08%	0.08%	0.00%	-	-8.31%	-7.50%
Expected volatility	20.05%	21.16%	19.84%	25.41%	-	0.08%	0.08%
Exercise price (₹)	12.5	12.5	12.5	12.5	-	25.19%	17.24%
Fair value of option (₹)	15.39	27.5	52.58	9.34	-	-21.75%	-21.75%
No. of years vesting	On the last day of the of 1 <sup>st</sup> year from the Grant date				As per vesting schedule described above		
					Not yet determined	27.75	29.00
					Not yet determined	10.1 to 14.64	17.87 to 22.74

Vesting of options is subject to continued employment during the vesting period.

Other Information regarding employee share-based payment plan is as below:

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Carrying amount at the start of the period of Share Option Outstanding Account	662.10	622.08
Expense arising from employee share based payment plans	713.49	40.01
Amount transferred to general reserve on account of ESOP Exercised during the year	(368.09)	-
<b>Total carrying amount at the end of the period of Share Option Outstanding Account</b>	<b>1,007.48</b>	<b>662.08</b>

(₹ in Lakhs)

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

## Note 43 : RELATED PARTY DISCLOSURES

### 43.1. Relationships

Relationship	Name of the party
<b>A. List of Related Parties</b>	
(i) Subsidiaries	<p>Centrum Retail Services Limited</p> <p>Centrum Broking Limited</p> <p>Centrum Housing Finance Limited</p> <p>Unity Small Finance Bank Limited (Subsidiary of Centrum Financial Services Limited) (w.e.f August 25, 2021)</p> <p>Centrum Financial Services Limited</p> <p>Centrum International Services Pte. Limited.</p> <p>Centrum Alternatives LLP</p> <p>Modulus Alternatives Investment Managers Limited (formerly Centrum Alternative Investment Managers Limited)</p> <p>Centrum Capital International Limited</p> <p>Ignis Capital Advisors Limited (w.e.f October 27,2021)</p> <p>CCAL Investment Management Limited (Subsidiary of Centrum Capital International Limited)</p> <p>Centrum Capital Advisors Limited</p> <p>Centrum Wealth Limited (Subsidiary of Centrum Retail Services Limited)</p> <p>Centrum Microcredit Limited (Merged with the Company)</p> <p>Centrum Investment Advisors Limited (Subsidiary of Centrum Wealth Limited)</p> <p>Centrum Insurance Brokers Limited (Subsidiary of Centrum Retail Services Limited)</p>
(ii) Associate	Acorn Fund Consultants Private Limited
(iii) Key Management Personnel/ Directors	<p>Mr. Jaspal Singh Bindra, Executive Chairman</p> <p>Mr. Chandir Gidwani, Chairman Emeritus (Non- Executive Director)</p> <p>Mr. Sriram Venkatasubramanian, Chief Financial Officer</p> <p>Mr. Alpesh Shah, Company Secretary (upto October 12, 2021)</p> <p>Mr. Parthasarthy Iyenger, Company Secretary (w.e.f May 10, 2022)</p> <p>Mr. Rajasekhara Reddy, Non-Executive Independent Director (Upto September 05, 2022)</p> <p>Mr. Subhash Kutte, Non-Executive Independent Director</p> <p>Mr. Manmohan Shetty, Non-Executive Independent Director</p> <p>Mr. Narayan Vasudeo Prabhutendulkar, Non-Executive Independent Director</p> <p>Ms. Anjali Seth, Non-Executive Independent Director</p> <p>Mr. Subrata Kumar Mitra, Non-Executive Independent Director</p> <p>Mr. Rajesh Kumar Srivastava, Non-Executive Director</p> <p>Mr. Rajesh Nanavaty, Non-Executive Director (upto August 03, 2021)</p>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

Mr. Rishad Byramjee, Non-Executive Director

Mr. Essaji Goolam Vahanvati, Non-Executive Independent Director ( w.e.f. October 14, 2022 )

Mr. Ramchandra Kasargod Kamath, Non-Executive Director

Mrs. Mahakhurshid Byramjee, Non-Executive Director

Mr. Sankaranarayanan Radhamangalam Anantharaman, Non-Executive Independent Director

(iv) Relatives of Key Management Personnel

Mr. Amritpal Singh Bindra (Son of Executive Chairman)

### **B. Related parties with whom the Company has entered into transactions during the year:**

(i) Enterprise where Key Management Personnel /Director has Control / Significant Influence

Businessmatch Services (India) Private Limited  
Sonchajyo Investments and Finance Private Limited  
JBCG Advisory Services Private Limited  
BG Advisory Services LLP  
Jakari Developers Private Limited  
Acapella Foods And Restaurants Private Limited  
Casby Global Air Private Limited  
Club 7 Holidays Limited

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

## Note 43.2 Annexure 'A' - Related Party Transactions

(₹ in lakhs)

Nature of transaction	Subsidiary Companies		Enterprise where Key Management Personnel / Director has control / significant influence		Key Management Personnel / Directors		Relative of Key Management Personnel / Director		Associates / Entities where company has significant influence		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
<b>Inter-Corporate Deposits Given</b>												
Centrum Capital Advisors Limited	8,500.00	-	-	-	-	-	-	-	-	-	8,500.00	-
Centrum Financial Services Limited	16,598.00	4,869.00	-	-	-	-	-	-	-	-	16,598.00	4,869.00
Centrum Retail Services Limited	58,050.00	44,430.00	-	-	-	-	-	-	-	-	58,050.00	44,430.00
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	15.00	-	-	15.00
Modulus Alternatives Investment Managers Limited (formerly Centrum Alternative Investment Managers Limited)	-	24.05	-	-	-	-	-	-	-	-	-	24.05
Ignis Capital Advisors Limited	500.00	7.00	-	-	-	-	-	-	-	-	500.00	7.00
<b>Total</b>	<b>83,648.00</b>	<b>49,330.05</b>							<b>15.00</b>		<b>83,648.00</b>	<b>49,345.05</b>
<b>Inter-Corporate Deposits received back</b>												
Centrum Retail Services Limited	58,050.00	63,100.75	-	-	-	-	-	-	-	-	58,050.00	63,100.75
Centrum Financial Services Limited	5,492.00	-	-	-	-	-	-	-	-	-	5,492.00	-
Centrum Capital Advisors Limited	6,310.95	135.00	-	-	-	-	-	-	-	-	6,310.95	135.00
Centrum International Services Pte. Limited	0.24	-	-	-	-	-	-	-	-	-	0.24	-
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	684.87	-	-	684.87
Modulus Alternatives Investment Managers Limited (formerly Centrum Alternative Investment Managers Limited)	821.55	117.50	-	-	-	-	-	-	-	-	821.55	117.50
Ignis Capital Advisors Limited	-	7.00	-	-	-	-	-	-	-	-	-	7.00
<b>Total</b>	<b>70,674.74</b>	<b>63,360.25</b>							<b>684.87</b>		<b>70,674.74</b>	<b>64,045.11</b>
<b>Inter-Corporate Deposits Taken</b>												
Centrum Financial Services Limited	-	4,300.00	-	-	-	-	-	-	-	-	-	4,300.00
Centrum Retail Services Limited	12,200.00	23,615.00	-	-	-	-	-	-	-	-	12,200.00	23,615.00
Centrum Housing Finance Limited	-	700.00	-	-	-	-	-	-	-	-	-	700.00
<b>Total</b>	<b>12,200.00</b>	<b>28,615.00</b>									<b>12,200.00</b>	<b>28,615.00</b>
<b>Inter-Corporate Deposits repaid</b>												
Centrum Financial Services Limited	-	4,300.00	-	-	-	-	-	-	-	-	-	4,300.00
Centrum Housing Finance Limited	-	700.00	-	-	-	-	-	-	-	-	-	700.00

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 43.2 Annexure 'A' - Related Party Transactions (Contd..)

Nature of transaction	Subsidiary Companies		Enterprise where Key Management Personnel / Director has control / significant influence		Key Management Personnel / Directors		Relative of Key Management Personnel / Director		Associates / Entities where company has significant influence		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
	(₹ in lakhs)											
Centrum Retail Services Limited	5,200.00	23,615.00	-	-	-	-	-	-	-	-	5,200.00	23,615.00
<b>Total</b>	<b>5,200.00</b>	<b>28,615.00</b>	-	-	-	-	-	-	-	-	<b>5,200.00</b>	<b>28,615.00</b>
<b>Commission and Brokerage Paid</b>												
Centrum Broking Limited	0.01	-	-	-	-	-	-	-	-	-	0.01	-
Centrum Investment Advisors Limited	893.39	1,226.20	-	-	-	-	-	-	-	-	893.39	1,226.20
Centrum Wealth Limited	1.53	236.89	-	-	-	-	-	-	-	-	1.53	236.89
<b>Total</b>	<b>894.93</b>	<b>1,463.10</b>	-	-	-	-	-	-	-	-	<b>894.93</b>	<b>1,463.10</b>
<b>Syndication Income Received</b>												
Centrum Wealth Limited	34.17	30.63	-	-	-	-	-	-	-	-	34.17	30.63
Centrum Broking Limited	214.73	160.00	-	-	-	-	-	-	-	-	214.73	160.00
<b>Total</b>	<b>248.90</b>	<b>190.63</b>	-	-	-	-	-	-	-	-	<b>248.90</b>	<b>190.63</b>
<b>Other Income</b>												
Unity Small Finance Bank Limited	500.00	100.00	-	-	-	-	-	-	-	-	500.00	100.00
<b>Total</b>	<b>500.00</b>	<b>100.00</b>	-	-	-	-	-	-	-	-	<b>500.00</b>	<b>100.00</b>
<b>Fixed Deposit with Bank</b>												
Unity Small Finance Bank Limited	11,500.00	-	-	-	-	-	-	-	-	-	11,500.00	-
<b>Total</b>	<b>11,500.00</b>	<b>-</b>	-	-	-	-	-	-	-	-	<b>11,500.00</b>	<b>-</b>
<b>Sale of Property, plant and equipment(Computer)</b>												
Unity Small Finance Bank Limited	0.19	0.20	-	-	-	-	-	-	-	-	0.19	0.20
<b>Total</b>	<b>0.19</b>	<b>0.20</b>	-	-	-	-	-	-	-	-	<b>0.19</b>	<b>0.20</b>
<b>Capital Withdrawal from Partnership Interest</b>												
Centrum Alternatives LLP	20.00	35.00	-	-	-	-	-	-	-	-	20.00	35.00
<b>Total</b>	<b>20.00</b>	<b>35.00</b>	-	-	-	-	-	-	-	-	<b>20.00</b>	<b>35.00</b>
<b>Investment made during the year in Equity Shares / Partnership Interest</b>												
Centrum International Services Pte. Limited	-	277.20	-	-	-	-	-	-	-	-	-	277.20
Ignis Capital Advisors Limited	-	0.01	-	-	-	-	-	-	-	-	-	0.01
<b>Total</b>	<b>-</b>	<b>277.21</b>	-	-	-	-	-	-	-	-	<b>-</b>	<b>277.21</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 43.2 Annexure 'A' - Related Party Transactions (Contd..)

(₹ in lakhs)

Nature of transaction	Subsidiary Companies		Enterprise where Key Management Personnel / Director has control / significant influence		Key Management Personnel / Directors		Relative of Key Management Personnel / Director		Associates / Entities where company has significant influence		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
<b>Compulsory Convertible Debentures of Centrum Microcredit Limited purchased</b>												
Centrum Financial Services Limited	-	2,355.00	-	-	-	-	-	-	-	-	-	2,355.00
Mr. Amritpal Singh Bindra	-	-	-	-	-	-	2,050.00	-	-	-	-	2,050.00
BG Advisory Services LLP	-	-	347.40	-	-	-	-	-	-	-	-	347.40
<b>Total</b>	-	<b>2,355.00</b>	<b>347.40</b>	<b>347.40</b>	-	<b>2,050.00</b>	-	<b>2,050.00</b>	-	-	-	<b>4,752.40</b>
<b>Compulsory Convertible Debentures of Centrum Financial Services Limited purchased</b>												
Centrum Retail Services Limited	-	1,771.73	-	-	-	-	-	-	-	-	-	1,771.73
<b>Total</b>	-	<b>1,771.73</b>	-	-	-	-	-	-	-	-	-	<b>1,771.73</b>
<b>Purchase of Centrum Financial Services Limited Equity share</b>												
Centrum Retail Services Limited	-	29,782.66	-	-	-	-	-	-	-	-	-	29,782.66
<b>Total</b>	-	<b>29,782.66</b>	-	-	-	-	-	-	-	-	-	<b>29,782.66</b>
<b>Sale Consideration received in cash (as per BTA)</b>												
Unity Small Finance Bank Limited	-	11,000.00	-	-	-	-	-	-	-	-	-	11,000.00
<b>Total</b>	-	<b>11,000.00</b>	-	-	-	-	-	-	-	-	-	<b>11,000.00</b>
<b>Purchase of Centrum Retail Services Limited Equity share</b>												
Mr. Amritpal Singh Bindra	-	-	-	-	-	-	6,180.50	-	-	-	-	6,180.50
<b>Total</b>	-	-	-	-	-	-	<b>6,180.50</b>	-	-	-	-	<b>6,180.50</b>
<b>Market Linked Debentures issued during the year</b>												
Centrum Wealth Limited	11,949.59	15,528.84	-	-	-	-	-	-	-	-	11,949.59	15,528.84
<b>Total</b>	<b>11,949.59</b>	<b>15,528.84</b>	-	-	-	-	-	-	-	-	<b>11,949.59</b>	<b>15,528.84</b>
<b>Market Linked Debentures(MLD) Redeemed during the year</b>												
Centrum Wealth Limited	12,435.96	19,217.37	-	-	-	-	-	-	-	-	12,435.96	19,217.37
Centrum Broking Limited	890.06	-	-	-	-	-	-	-	-	-	890.06	-
<b>Total</b>	<b>13,326.02</b>	<b>19,217.37</b>	-	-	-	-	-	-	-	-	<b>13,326.02</b>	<b>19,217.37</b>
<b>Rent Reimbursement</b>												
Centrum Financial Services Limited	-	1.05	-	-	-	-	-	-	-	-	-	1.05



# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

## Note 43.2 Annexure 'A' - Related Party Transactions (Contd..)

Nature of transaction	Subsidiary Companies		Enterprise where Key Management Personnel / Director has control / significant influence		Key Management Personnel / Directors		Relative of Key Management Personnel / Director		Associates / Entities where company has significant influence		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
	₹ in lakhs											
Centrum Housing Finance Limited	-	1.80	-	-	-	-	-	-	-	-	-	1.80
Unity Small Finance Bank Limited	0.60	0.75	-	-	-	-	-	-	-	-	0.60	0.75
<b>Total</b>	<b>0.60</b>	<b>3.60</b>	-	-	-	-	-	-	-	-	<b>0.60</b>	<b>3.60</b>
<b>Rent Expenses</b>												
Businessmatch Services (India) Private Limited	-	-	15.20	14.47	-	-	-	-	-	-	15.20	14.47
Centrum Financial Services Limited	-	0.05	-	-	-	-	-	-	-	-	-	0.05
Centrum Retail Services Limited	94.75	133.95	-	-	-	-	-	-	-	-	94.75	133.95
<b>Total</b>	<b>94.75</b>	<b>134.01</b>	<b>15.20</b>	<b>14.47</b>	-	-	-	-	-	-	<b>109.95</b>	<b>148.48</b>
<b>Other Expenses</b>												
Centrum Broking Limited	0.75	1.52	-	-	-	-	-	-	-	-	0.75	1.52
Centrum Retail Services Limited	16.49	70.41	-	-	-	-	-	-	-	-	16.49	70.41
Club 7 Holidays Limited	-	-	103.33	63.44	-	-	-	-	-	-	103.33	63.44
Acapella Foods And Restaurants Private Limited	-	-	21.00	5.74	-	-	-	-	-	-	21.00	5.74
Centrum Wealth Limited	0.75	0.75	-	-	-	-	-	-	-	-	0.75	0.75
<b>Total</b>	<b>17.99</b>	<b>72.68</b>	<b>124.33</b>	<b>69.19</b>	-	-	-	-	-	-	<b>142.32</b>	<b>141.87</b>
<b>Shared Resources Income</b>												
Centrum Retail Services Limited	1,296.22	479.68	-	-	-	-	-	-	-	-	1,296.22	479.68
Centrum Wealth Limited	10.00	10.00	-	-	-	-	-	-	-	-	10.00	10.00
Centrum Broking Limited	10.00	10.00	-	-	-	-	-	-	-	-	10.00	10.00
Centrum Capital Advisors Limited	-	0.96	-	-	-	-	-	-	-	-	-	0.96
Centrum Housing Finance Limited	10.00	10.00	-	-	-	-	-	-	-	-	10.00	10.00
Centrum Financial Services Limited	0.98	5.00	-	-	-	-	-	-	-	-	0.98	5.00
Modulus Alternatives Investment Managers Limited (formerly Centrum Alternative Investment Managers Limited)	5.77	1.45	-	-	-	-	-	-	-	-	5.77	1.45
Centrum Investment Advisors Limited	6.51	4.80	-	-	-	-	-	-	-	-	6.51	4.80
Centrum Insurance Brokers Limited	1.26	1.76	-	-	-	-	-	-	-	-	1.26	1.76
Ignis Capital Advisors Limited	2.41	-	-	-	-	-	-	-	-	-	2.41	-
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	-	1.20	1.20	-
<b>Total</b>	<b>1,343.15</b>	<b>523.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,344.35</b>	<b>523.64</b>
<b>Interest Income</b>												

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

## Note 43.2 Annexure 'A' - Related Party Transactions (Contd..)

Nature of transaction	Subsidiary Companies		Enterprise where Key Management Personnel / Director has control / significant influence		Key Management Personnel / Directors		Relative of Key Management Personnel / Director		Associates / Entities where company has significant influence		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
	(₹ in lakhs)											
Unity Small Finance Bank Limited	163.46	-	-	-	-	-	-	-	-	-	163.46	-
Centrum Capital Advisors Limited	270.96	0.53	-	-	-	-	-	-	-	-	270.96	0.53
Centrum Retail Services Limited	254.70	1,252.80	-	-	-	-	-	-	-	-	254.70	1,252.80
Modulus Alternatives Investment Managers Limited (formerly Centrum Alternative Investment Managers Limited)	7.90	110.10	-	-	-	-	-	-	-	-	7.90	110.10
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	18.46	-	-	18.46
Centrum Financial Services Limited-compulsory convertible debentures	150.91	113.29	-	-	-	-	-	-	-	-	150.91	113.29
Centrum Financial Services Limited	660.29	248.12	-	-	-	-	-	-	-	-	660.29	248.12
Ignis Capital Advisors Limited	0.18	0.39	-	-	-	-	-	-	-	-	0.18	0.39
<b>Total</b>	<b>1,508.41</b>	<b>1,725.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18.46</b>	<b>-</b>	<b>1,508.41</b>	<b>1,743.68</b>
<b>Interest Expenses</b>												
Centrum Housing Finance Limited	-	53.35	-	-	-	-	-	-	-	-	-	53.35
Centrum Financial Services Limited	-	1.53	-	-	-	-	-	-	-	-	-	1.53
Centrum Retail Services Limited	7.16	136.29	-	-	-	-	-	-	-	-	7.16	136.29
<b>Total</b>	<b>7.16</b>	<b>191.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.16</b>	<b>191.18</b>
<b>Interest Expenses on redemption of Market Linked Debentures</b>												
Centrum Wealth Limited	2,804.96	4,488.37	-	-	-	-	-	-	-	-	2,804.96	4,488.37
Centrum Broking Limited	155.06	-	-	-	-	-	-	-	-	-	155.06	-
<b>Total</b>	<b>2,960.02</b>	<b>4,488.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,960.02</b>	<b>4,488.37</b>
<b>Directors sitting fees</b>												
Mr. Chandir Gidwani	-	-	-	-	4.75	4.75	-	-	-	-	4.75	4.75
Mr. Rajasekhara Reddy	-	-	-	-	2.00	5.00	-	-	-	-	2.00	5.00
Mr. Subhash Kutte	-	-	-	-	12.70	10.75	-	-	-	-	12.70	10.75
Mr. Manmohan Shetty	-	-	-	-	4.75	5.50	-	-	-	-	4.75	5.50
Mr. Narayan Vasudeo Prabhtundulkar	-	-	-	-	9.40	9.50	-	-	-	-	9.40	9.50
Ms. Anjali Seth	-	-	-	-	4.00	5.00	-	-	-	-	4.00	5.00
Mr. Subrata Kumar Mitra	-	-	-	-	4.00	5.00	-	-	-	-	4.00	5.00
Mr. Rajesh Srivastava	-	-	-	-	4.00	5.00	-	-	-	-	4.00	5.00
Mr. Rajesh Nanavaty	-	-	-	-	-	1.25	-	-	-	-	-	1.25

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 43.2 Annexure 'A' - Related Party Transactions (Contd..)

Nature of transaction	Subsidiary Companies		Enterprise where Key Management Personnel / Director has control / significant influence		Key Management Personnel / Directors		Relative of Key Management Personnel / Director		Associates / Entities where company has significant influence		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
	(₹ in lakhs)											
Mr. Rishad Byramjee	-	-	-	-	5.60	9.75	-	-	-	-	5.60	9.75
Mr. Ramchandra Kasargod Kamat	-	-	-	-	4.00	5.00	-	-	-	-	4.00	5.00
Mr. Mahakurshid Byramjee	-	-	-	-	1.00	1.00	-	-	-	-	1.00	1.00
Mr. Sankaranarayanan Radhamangalam Anantharaman	-	-	-	-	4.00	5.00	-	-	-	-	4.00	5.00
Mr. Essaji Goolam Vahanvati	-	-	-	-	2.00	-	-	-	-	-	2.00	-
<b>Total</b>	-	-	-	-	<b>62.20</b>	<b>72.50</b>	-	-	-	-	<b>62.20</b>	<b>72.50</b>
<b>Professional Fees Expenses</b>												
Sonchajyo Investment and Finance Private Limited	-	-	12.00	12.00	-	-	-	-	-	-	12.00	12.00
Centrum Financial Services Limited	-	-	215.63	-	-	-	-	-	-	-	-	215.63
Centrum Wealth Limited	1.50	-	-	-	-	-	-	-	-	-	1.50	-
<b>Total</b>	<b>1.50</b>	<b>215.63</b>	<b>12.00</b>	<b>12.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.50</b>	<b>227.63</b>
<b>Compensation to Key Management Personnel</b>												
Mr. Jaspal Bindra	-	-	-	-	576.00	419.58	-	-	-	-	576.00	419.58
Mr. Alpesh Shah	-	-	-	-	-	15.68	-	-	-	-	-	15.68
Mr. Parthasarathy Rajagopal lyengar	-	-	-	-	30.34	-	-	-	-	-	30.34	-
Mr. Sriram Venkatasubramanian	-	-	-	-	221.00	187.02	-	-	-	-	221.00	187.02
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>827.34</b>	<b>622.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>827.34</b>	<b>622.28</b>
<b>Corporate Guarantee Given / (Taken Back)</b>												
Unity Small Finance Bank Limited (assigned by Centrum Financial Services Limited)	(12,500.00)	(8,400.00)	-	-	-	-	-	-	-	-	(12,500.00)	(8,400.00)
Centrum Housing Finance Limited	1,466.66	8,500.00	-	-	-	-	-	-	-	-	1,466.66	8,500.00
Unity Small Finance Bank Limited (assigned by Centrum Microcredit Limited)	(9,500.00)	2,500.00	-	-	-	-	-	-	-	-	(9,500.00)	2,500.00
Centrum Broking Limited	(6,500.00)	10,000.00	-	-	-	-	-	-	-	-	(6,500.00)	10,000.00
<b>Total</b>	<b>(27,033.34)</b>	<b>12,600.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27,033.34)</b>	<b>12,600.00</b>
<b>Amount receivable as at March 31, 2023</b>												

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

## Note 43.2 Annexure 'A' - Related Party Transactions (Contd..)

(₹ in lakhs)

Nature of transaction	Subsidiary Companies		Enterprise where Key Management Personnel / Director has control / significant influence		Key Management Personnel / Directors		Relative of Key Management Personnel / Director		Associates / Entities where company has significant influence		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
<b>Expenses Receivable</b>												
Centrum Wealth Limited	-	8.99	-	-	-	-	-	-	-	-	-	8.99
Centrum Retail Services Limited	-	0.08	-	-	-	-	-	-	-	-	-	0.08
<b>Total</b>	-	9.08	-	-	-	-	-	-	-	-	-	9.08
<b>Interest Receivable</b>												
Unity Small Finance Bank Limited	68.31	-	-	-	-	-	-	-	-	-	68.31	-
Ignis Capital Advisors Limited	0.16	-	-	-	-	-	-	-	-	-	0.16	-
<b>Total</b>	68.47	-	-	-	-	-	-	-	-	-	68.47	-
<b>Security Deposits Receivable</b>												
Businessmatch Services (India) Private Limited	-	-	30.00	30.00	-	-	-	-	-	-	30.00	30.00
Mr. Chandir Gidwani	-	-	-	-	30.00	30.00	-	-	-	-	30.00	30.00
<b>Total</b>	-	-	30.00	30.00	30.00	30.00	-	-	-	-	60.00	60.00
<b>Loan/Advances receivable</b>												
Centrum Financial Services Limited	15,975.00	4,869.00	-	-	-	-	-	-	-	-	15,975.00	4,869.00
Centrum International Services Pte. Limited	-	0.24	-	-	-	-	-	-	-	-	-	0.24
Centrum Capital Advisors Limited	2,189.05	-	-	-	-	-	-	-	-	-	2,189.05	-
Modulus Alternatives Investment Managers Limited ( formerly Centrum Alternative Investment Managers Limited)	-	821.55	-	-	-	-	-	-	-	-	-	821.55
Ignis Capital Advisors Limited	500.00	-	-	-	-	-	-	-	-	-	500.00	-
<b>Total</b>	18,664.05	5,690.79	-	-	-	-	-	-	-	-	18,664.05	5,690.79
<b>Amount payable as at March 31, 2023</b>												
<b>Expenses Payable</b>												
Acapella Foods And Restaurants Private Limited	-	-	1.22	-	-	-	-	-	-	-	1.22	-
Centrum Retail Services Limited	1.00	0.61	-	-	-	-	-	-	-	-	1.00	0.61
<b>Total</b>	1.00	0.61	1.22	-	-	-	-	-	-	-	2.22	0.61
<b>Loan/Advances payable</b>												
Casby Global Air Private Limited	-	-	25.00	25.00	-	-	-	-	-	-	25.00	25.00
Centrum Retail Services Limited	7,000.00	-	-	-	-	-	-	-	-	-	7,000.00	-

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 43.2 Annexure 'A' - Related Party Transactions (Contd..)

Nature of transaction	Subsidiary Companies		Enterprise where Key Management Personnel / Director has control / significant influence		Key Management Personnel / Directors		Relative of Key Management Personnel / Director		Associates / Entities where company has significant influence		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
	(₹ in lakhs)											
<b>Total</b>	<b>7,000.00</b>	-	<b>25.00</b>	<b>25.00</b>	-	-	-	-	-	-	<b>7,025.00</b>	<b>25.00</b>
<b>Outstanding Payable:</b>												
Mr. Amritpal Singh Bindra	-	-	-	-	-	-	4,680.50	6,730.50	-	-	4,680.50	6,730.50
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,680.50</b>	<b>6,730.50</b>	<b>-</b>	<b>-</b>	<b>4,680.50</b>	<b>6,730.50</b>
<b>Guarantees outstanding as on March 31, 2023</b>												
Corporate Guarantee given												
Centrum Broking Limited	15,000.00	23,075.00	-	-	-	-	-	-	-	-	15,000.00	23,075.00
Unity Small Finance Bank Limited (assigned by Centrum Financial Services Limited)	-	12,500.00	-	-	-	-	-	-	-	-	-	12,500.00
Unity Small Finance Bank Limited (assigned by Centrum Microcredit Limited)	9,463.98	18,963.98	-	-	-	-	-	-	-	-	9,463.98	18,963.98
Centrum Housing Finance Limited	46,800.00	45,333.34	-	-	-	-	-	-	-	-	46,800.00	45,333.34
Centrum Retail Services Limited	1,405.00	1,405.00	-	-	-	-	-	-	-	-	1,405.00	1,405.00
Centrum Alternatives LLP	22.42	50.00	-	-	-	-	-	-	-	-	22.42	50.00
<b>Total</b>	<b>72,691.40</b>	<b>1,01,327.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72,691.40</b>	<b>1,01,327.32</b>
<b>Investments in Preference Shares as on Mar 31, 2023</b>												
Centrum Broking Limited	250.00	250.00	-	-	-	-	-	-	-	-	250.00	250.00
<b>Total</b>	<b>250.00</b>	<b>250.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250.00</b>	<b>250.00</b>
<b>Investments in Debentures as on Mar 31, 2023</b>												
Centrum Financial Services Limited	1,509.14	1,509.14	-	-	-	-	-	-	-	-	1,509.14	1,509.14
<b>Total</b>	<b>1,509.14</b>	<b>1,509.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,509.14</b>	<b>1,509.14</b>
<b>Fixed Deposit with Bank</b>												
Unity Small Finance Bank Limited	2,500.00	-	-	-	-	-	-	-	-	-	2,500.00	-
<b>Total</b>	<b>2,500.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,500.00</b>	<b>-</b>
<b>Market linked Debentures (MLD) Payable as on March 31, 2023</b>												
Mrs. Mahakurshid Byramjee	-	-	-	-	300.00	140.00	-	-	-	-	300.00	140.00
Jakari Developers Private Limited	-	-	100.00	-	-	-	-	-	-	-	100.00	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>300.00</b>	<b>140.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>400.00</b>	<b>140.00</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

**43.3** The Company had contracted to buy 23,69,207 equity shares of Centrum Retail Services Limited (a subsidiary of the Company) for ₹ 8,004 lakhs from non-controlling interest shareholders post receipt of approval from the shareholders in July 2019. Pursuant to this, during the previous year Company has purchased balance 18,29,446 equity shares of Centrum Retail Services Limited for a consideration of ₹ 6180.50 lakhs.

### Note 43.4: DISCLOSURE REQUIRED UNDER SECTION 186 (4) of the Companies Act, 2013

#### A) Loans and advances given

(₹ in lakhs)					
Name of the entity	Relation	As at March 31, 2023	Maximum balance outstanding	As at March 31, 2022	Maximum balance outstanding
Modulus Alternatives Investment Managers Limited (formerly Centrum Alternative Investment Managers Limited)	Subsidiary	-	821.79	821.79	915.00
Centrum Housing Finance Limited	Subsidiary	-	-	-	700.00
Ignis Capital Advisors Limited	Subsidiary	500.00	500.00	-	7.00
Centrum Retail Services Limited	Subsidiary	-	-	-	26,250.75
Centrum Financial Services Limited	Subsidiary	15,975.00	15,979.00	4,869.00	4,869.00
Centrum Capital Advisors Limited	Subsidiary	2,189.05	5,000.00	-	135.00
Acorn Fund Consultants Private Limited	Associate	-	-	-	684.87
<b>Total</b>		<b>18,664.05</b>	<b>22,300.79</b>	<b>5,690.79</b>	<b>33,561.62</b>

#### B) Investments in Equity Shares / Partnership Interest

(₹ in Lakhs)			
Name of the entity	Relation	As at March 31, 2023	As at March 31, 2022
Modulus Alternatives Investment Managers Limited (formerly Centrum Alternative Investment Managers Limited)	Subsidiary	51.00	51.00
Centrum Broking Limited	Subsidiary	2,370.38	2,268.07
Centrum Capital Advisors Limited	Subsidiary	100.00	100.00
Centrum Housing Finance Limited	Subsidiary	15,163.38	15,139.39
Centrum International Services PTE. Limited	Subsidiary	961.95	961.95
Centrum Retail Services Limited	Subsidiary	40,907.48	40,605.91
Centrum Financial Services Limited	Subsidiary	29,855.60	29,782.66

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)			
Name of the entity	Relation	As at March 31, 2023	As at March 31, 2022
Ignis Capital Advisors Limited	Subsidiary	0.01	0.01
Centrum Capital International Limited	Subsidiary	198.10	198.10
Centrum Alternatives LLP	Subsidiary	875.67	895.67
<b>Total</b>		<b>90,483.57</b>	<b>90,002.75</b>

### C) Investments in Preference Shares\*

(₹ in Lakhs)			
Particulars		As at March 31, 2023	As at March 31, 2022
Centrum Broking Limited	Subsidiary	346.53	306.66
<b>Total</b>		<b>346.53</b>	<b>306.66</b>

### d) Corporate Guarantees given by the Company

(₹ in Lakhs)			
Particulars		As at March 31, 2023	As at March 31, 2022
Unity Small Finance Bank Limited (assigned by Centrum Financial Services Limited)	Subsidiary	-	12,500.00
Unity Small Finance Bank Limited (assigned by Centrum Microcredit Limited)	Subsidiary	9,463.98	18,963.98
Centrum Broking Limited	Subsidiary	15,000.00	23,075.00
Centrum Housing Finance Limited	Subsidiary	46,800.00	45,333.34
Centrum Retail Services Limited	Subsidiary	1,405.00	1,405.00
Centrum Alternatives LLP	Subsidiary	22.42	50.00
<b>Total</b>		<b>72,691.40</b>	<b>1,01,327.32</b>

(\* Investment in Debentures and Preference shares are presented at fair values.)

(Note : Loans, Guarantees given or Investments made are towards general business purposes.)

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

## Note 44: 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 - foreign exchange	"Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee(INR)"	"Cash flow forecasting Sensitivity analysis"	"Forward foreign exchange contracts Foreign currency options"
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Interest rate swaps
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. 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 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.

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



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

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 NBFC operates and other macro-economic factors

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

### 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	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	12-month expected credit losses
Stage 2	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due	Life-time expected credit losses
Stage 3	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Credit Loss is recognized on full exposure/ Asset is written off

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Year ended March 31, 2023

Particulars	Asset group	(₹ in lakhs)	
		Estimated gross carrying amount at default	Expected credit losses
Loss allowance measured at 12 month expected credit losses	Cash and cash equivalents	532.80	-
	Trade receivables	598.79	374.35
	Loans	18,667.51	42.75
	Other financial assets	245.50	103.61

### Year ended March 31, 2022

Particulars	Asset group	(₹ in lakhs)	
		Estimated gross carrying amount at default	Expected credit losses
Loss allowance measured at 12 month expected credit losses	Cash and cash equivalents	2,022.94	-
	Trade receivables	607.53	306.91
	Loans	905.57	85.11
	Other financial assets	215.36	100.00

### Cash and cash equivalents

Cash and cash equivalents include balance of ₹ 532.80 Lakhs at March 31, 2023 (2022: ₹ 2,025.99 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.

### 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 unsecured and are considered to have low credit risk based on credit evaluation undertaken by the Company. There is no history of any defaults on these loans. Since few counter parties are related parties and employees of the Company, the Company regularly monitors to ensure that these entities have enough liquidity which safeguards the interest of the Company. The said 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 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.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

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

Equity shareholders	(₹ in lakhs)			
	Year ended March 31, 2023		Year ended March 31, 2022	
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Assets
Index derivatives	52.01	70.71	228.06	440.73
<b>Total derivative financial instruments Assets</b>	<b>52.01</b>	<b>70.71</b>	<b>228.06</b>	<b>440.73</b>

### 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,

## Notes forming part of the Standalone Financial Statements

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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 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.

### 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 31 March 2022	306.91	85.11	100.00
Changes in loss allowances due to			
Bad debts written off	-	-	-
Net remeasurement of loss allowance	67.42	(42.36)	3.61
<b>Loss allowance on 31 March 2023</b>	<b>374.33</b>	<b>42.75</b>	<b>103.61</b>

### 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 31<sup>st</sup> March 2023, 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 Investments. Company regularly track the performance of the investment 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:

Particular	₹ in lakhs	
	March 31, 2023	March 31, 2022
Undrawn borrowing facilities	3,951.00	3,951.00

## Notes forming part of the Standalone Financial Statements

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### 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, 2023

Particulars	(₹ in Lakhs)							
	Carrying amount	Gross nominal inflow/ (outflow)	Contractual cash flows					Over 3 year
			upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year		
<b>Non-derivative financial liabilities</b>								
Debt securities	30,615.80	(30,615.80)	-	-	(46.34)	(30,569.46)	-	
Borrowings (other than Debt securities)	7,983.65	(7,983.65)	(32.41)	(32.85)	(7,563.43)	(14.90)	(340.08)	
Other financial liabilities	8,494.78	(8,494.78)	(4.92)	(4.98)	(245.76)	(8,218.94)	(20.17)	
	<b>47,094.24</b>	<b>(47,094.23)</b>	<b>(37.32)</b>	<b>(37.83)</b>	<b>(7,855.53)</b>	<b>(38,803.30)</b>	<b>(360.25)</b>	
<b>Derivative financial assets</b>								
Options	70.71	70.71	70.71	-	-	-	-	
<b>Derivative financial liabilities</b>								
Embedded derivatives on redeemable market linked debentures	24,402.75	(24,402.75)	-	-	(5.77)	(24,396.99)	-	
	<b>24,332.04</b>	<b>(24,332.04)</b>	<b>70.71</b>	<b>-</b>	<b>(5.77)</b>	<b>(24,396.99)</b>	<b>-</b>	

#### As at March 31, 2022

Particulars	(₹ in Lakhs)							
	Carrying amount	Gross nominal inflow/ (outflow)	Contractual cash flows					Over 3 year
			upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year		
<b>Non-derivative financial liabilities</b>								
Debt securities	27,109.69	(45,614.00)	-	-	(6,162.00)	(23,189.00)	(16,263.00)	
Borrowings (other than Debt securities)	3,154.78	(2,208.32)	(245.69)	574.88	(1,887.59)	(129.84)	(340.08)	
Other financial liabilities	4,820.47	(4,750.87)	(26.52)	-	(1,086.35)	(2,912.41)	(725.59)	
	<b>35,084.94</b>	<b>(52,393.19)</b>	<b>(272.21)</b>	<b>574.88</b>	<b>(9,135.94)</b>	<b>(26,231.25)</b>	<b>(17,328.67)</b>	

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Carrying amount	Gross nominal inflow/ (outflow)	Contractual cash flows				
			upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
<b>Derivative financial assets</b>							
Options	440.73	440.73	129.48	-	284.03	27.23	-
<b>Derivative financial liabilities</b>							
Embedded derivatives on redeemable market linked debentures	17,497.16	(17,497.16)	-	-	(1,458.05)	(8,986.09)	7,053.02
	<b>17,056.43</b>	<b>(17,056.43)</b>	<b>129.48</b>	<b>-</b>	<b>(1,174.02)</b>	<b>(8,958.86)</b>	<b>7,053.02</b>

### 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.

#### Total market risk exposure

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Carrying amount	Traded risk	Non traded risk	Carrying amount	Traded risk	Non traded risk
<b>Assets</b>						
Cash and cash equivalents	532.80	-	532.80	2,025.99	-	2,025.99
Bank balances other than cash and cash equivalents above	4,327.45	-	4,327.45	1,583.02	-	1,583.02
Derivative financial instruments	70.71	-	70.71	440.73	-	440.73
Trade receivables	224.44	-	224.44	300.61	-	300.61
Loans	18,624.76	-	18,624.76	5,686.10	-	5,686.10
Investments - at amortised cost	90,483.57	-	90,483.57	90,051.52	-	90,051.52
Investments - at FVOCI	-	-	-	-	-	-
Investments - at FVTPL	4,104.84	4,104.84	-	6,948.45	6,948.45	-
Other financial assets	141.88	-	141.88	115.60	-	115.60
<b>Liabilities</b>						
Derivative financial instruments	24,402.75	-	24,402.75	17,497.16	-	17,497.16
Debt securities	30,615.80	-	30,615.80	27,109.69	-	27,109.69
Borrowings (other than Debt securities)	7,983.65	-	7,983.65	3,154.78	-	3,154.78
Other financial liabilities	8,494.78	-	8,494.78	4,820.47	-	4,820.47

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### d. 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.

Particulars	(₹ in Lakhs)			
	As at March 31, 2023			
	Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease
(a) Equity Instruments	6.81	(6.81)	-	-
(b) Debt securities	15.12	(15.12)	-	-
(c) Preference shares	4.25	(4.25)	-	-
(d) Units of Mutual funds	-	-	-	-
(e) Government and corporate securities	-	-	-	-
(f) Units of private equity	14.87	(14.87)	-	-
(e) Options(net)	0.71	(0.71)	-	-

Particulars	(₹ in Lakhs)			
	As at March 31, 2022			
	Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease
(a) Equity Instruments	5.37	(5.37)	-	-
(b) Debt securities	68.07	(68.07)	-	-
(c) Preference shares	8.92	(8.92)	-	-
(d) Units of Mutual funds	0.06	(0.06)	-	-
(e) Government and corporate securities	12.93	(12.93)	-	-
(e) Units of private equity	12.29	(12.29)	-	-
(e) Options(net)	4.41	(4.41)	-	-

### e. Currency risk : Trade Receivable

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's exposures to unhedged foreign currency risk as at the end of reporting periods expressed in INR as follows :

Particular	(₹ in Lakhs)	
	March 31, 2023	March 31, 2022
Loan & advances to related parties	Nil	Nil
Trade Receivable	Nil	23.98 (USD 31,637 @ Closing rate of 1USD = ₹ 75.81)

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

(₹ in Lakhs)

Particular	Impact on Profit before tax	
	March 31, 2023	March 31,2022
INR/USD Sensitivity increase by 5%	Nil	1.20
INR/USD Sensitivity decrease by 5%	Nil	(1.20)

### f. 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.

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)

Particular	As at	As at
	March 31, 2023	March 31,2022
<b>Fixed-rate instruments</b>		
Financial assets	18,624.76	820.46
Financial liabilities	38,574.45	36,549.48
<b>Variable-rate instruments</b>		
Financial assets	Nil	Nil
Financial liabilities	Nil	Nil



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

### Note 45 : ADDITIONAL REGULATORY INFORMATION (to the extent applicable and reportable)

- (i) Details for any transactions entered with companies struck-off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956 :

(₹ in Lakhs)					
Name of the struck-off company	Nature of transactions with struck-off company	Balance outstanding as at March 31, 2023	Relationship with the struck-off company, if any, to be disclosed	Balance outstanding as at March 31, 2022	Relationship with the struck-off Company, if any, to be disclosed.
Shrinath Cotfab Private Limited	Trade receivables	0.90	Not Applicable	0.90	Not Applicable

- (ii) The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Variance %	Reason for change by more than 25%
Current Ratio (times) (Current Assets/Current Liabilities)	1.74	0.65	168%	Due to decrease in current debt
Debt Equity Ratio (Total Debt/Equity)	1.62	1.04	56%	Due to increase in borrowings
Debt Service Coverage Ratio (in times) (Earnings before Interest, Tax and Exceptional Items)/(Current Debt Obligation)	(0.06)	0.21	(129%)	Due to drop in profitability during the year
Trade Receivable Turnover (times) (Sales of services/Average Trade Receivables)	6.29	7.20	(13%)	
Return on Equity (Profit after Tax/Closing Shareholders Equity)	(16.41%)	(6.71%)	145%	Decline in ratio is due to drop in profitability during the year
Trade Payables Turnover (times)	NA	NA	NA	
Return on Capital employed (Earnings before Interest and Tax) / Closing Capital Employed)	0.74%	2.29%	(68%)	Due to drop in profitability during the year
Return on Investments	NA	NA	NA	
Net Profit Margin Ratio (%) (Profit after Tax/ Total Income)	(124.46%)	(53.70%)	132%	Due to drop in profitability during the year
Net capital turnover ratio	-	-	-	Net working capital is negative
Inventory Turnover (times)	NA	NA	NA	

- (iii) The Merger Scheme of Centrum Microcredit Limited (CML) with the Company was approved by National Company Law Tribunal ('NCLT') on March 30, 2023. The merger is effective from the Appointed Date, i.e., April 01, 2022. The merger was given effect to in books of account in accordance with Appendix C of Indian Accounting Standard (Ind AS) 103, *Business Combinations* and accordingly, figures for the previous year have been restated.

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

## Note 46: SEGMENT INFORMATION

In accordance with Ind AS 108, 'Operating Segments', segment information has been given in the consolidated financial statements and therefore, no separate disclosure on segment information is given in the standalone financial statements

## Note 47: DISCLOSURE WITH REGARD TO DUES TO MICRO AND SMALL ENTERPRISES

Based on the information available with the Company and has been relied upon by the auditors, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2023 together with interest paid /payable are required to be furnished

**Note 48 :** Amount shown as ₹ 0.00 lakhs represents amount below ₹ 5000 (Rupees Five Thousand).

## Note 49: EVENTS OCCURRING AFTER THE REPORTING PERIOD

No Significant adjusting event occurred between balance sheet date and the date of the approval of these standalone financial statements by the Board of the Directors requiring adjustments on disclosures.

## Note 50: PREVIOUS YEAR COMPARATIVES

Figures for the previous year have been regrouped wherever necessary.

**SHARP & TANNAN**  
Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

**Edwin Paul Augustine**  
Partner  
Membership No.043385

Place : Mumbai  
Date : May 19, 2023

Signatures to Notes 1 to 50

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

**Jaspal Singh Bindra**  
Executive Chairman  
DIN : 00128320

**Sriram Venkatasubramanian**  
Chief Financial Officer

**Parthasarathy Iyengar**  
Company Secretary  
Membership No. A21472

# Independent Auditor's Report

To the Members of  
**Centrum Capital Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **Centrum Capital Limited** (the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as the 'Group') and its associate, which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2023, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2023, of its consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

### 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 Consolidated Financial Statements* section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of

Chartered Accountants of India (the 'ICAI') and the relevant provisions of the Act, 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.

### Emphasis of Matter

We draw attention to Note 55 to the consolidated financial statements which, indicate that the subsidiary company, Modulus Alternatives Investment Managers Limited (*formerly Centrum Alternative Investment Managers Limited*), has accumulated losses and its net worth has been fully eroded. The subsidiary company has incurred a net loss/net cash loss during the current and previous year(s) and, the subsidiary company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in the aforesaid Note, indicate the existence of a material uncertainty that may cast significant doubt about the subsidiary company's ability to continue as a going concern. However, the financial statements of the subsidiary company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated 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(s)	How our audit addressed the key audit matter(s)
1.	<p><b>Valuation of Market Linked Debentures</b> (Refer Note 22 to the consolidated financial statements)</p> <p>The Company has a significant amount of outstanding Market Linked Debentures (MLDs) as on 31<sup>st</sup> March, 2023 aggregating ₹ 74,545.67 lakhs. 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>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- Inspected Board minutes and other appropriate documentation of authorization to assess whether the transactions were appropriately authorized.</li> <li>- Understood the design and implementation of relevant internal controls with respect to MLDs;</li> <li>- Performed necessary audit procedures to test the operating effectiveness of the relevant internal controls with respect to MLDs during the year ended and as of 31<sup>st</sup> March, 2023;</li> <li>- Verified the terms and condition of the MLDs with the MLDs deed, prospectuses and other supporting documents;</li> <li>- Verified the calculations carried out to separate the derivative component from MLDs;</li> <li>- 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; and</li> <li>- We have also verified the independence and competence of the valuers and scope of the assignments.</li> </ul>
2.	<p><b>Evaluation of uncertain litigations and contingent liabilities</b> (Unity Small Finance Bank Limited ('USFB' / 'Bank'), a step-down subsidiary company)</p> <p>The Bank has various litigations and contingent liabilities.</p> <p>This is a key audit matter due to uncertainty of the outcome which involves significant judgment to determine the possible outcome of these disputes.</p>	<p>Our audit approach involved:</p> <ul style="list-style-type: none"> <li>- Understanding the current status of the litigations;</li> <li>- Review of the latest orders and the appeals filed;</li> <li>- Reliance on various judgements in the Bank's own case and similar cases in other Banks where available.</li> </ul>
3.	<p><b>Assessment of Information Technology (IT)</b> (Unity Small Finance Bank Limited) ('USFB'/'Bank'), a step-down subsidiary company)</p> <p>a. IT controls with respect to recording of transactions, generating various reports in compliance with RBI guidelines including IRAC norms, preparing financial statements and reporting of compliances to regulators etc. is an important part of the process. Such reporting is highly dependent on the effective working of Core Banking Software and other allied systems. We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management and regulators.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- Understanding and testing of operative effectiveness of the system.</li> <li>- Understanding the coding system adopted by the bank for various categories of customers.</li> <li>- Understanding and testing of different validations available in the system</li> <li>- Checking the user requirements for any changes in the regulations/ policy of the bank</li> <li>- Testing of logic used for extracting the data.</li> <li>- On sample basis reviewing the reports generated.</li> <li>- Reliance on the system audit report of the bank.</li> </ul>

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter(s)
	b. The Bank has migrated to the Turing system from Finacle.	The Bank has carried out migration audit through an external agency which has confirmed that they have completed the audit and have confirmed that there are no open items. We have relied on the same. Also, the management has confirmed that there is no material financial impact on account of such migration.
4.	<p><b>Impairment of loans and advances to customers</b> (Refer Note 5.1.h - Accounting Policy on Impairment of financial assets, to the consolidated financial statements) (Centrum Housing Finance Limited ('CHFL'), a subsidiary company)</p> <p>Under Ind AS 109, <i>Financial Instruments</i>, allowance for loan losses is 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:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<p>Our audit procedures included but were not limited to the following:</p> <p><b>Design / controls</b></p> <p>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 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"> <li>- 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.</li> <li>- Testing the 'Governance Framework' controls over validation, implementation and model monitoring in line with the RBI guidance.</li> <li>- Testing the design and operating effectiveness of the key controls over the application of the staging criteria.</li> <li>- Testing management's controls over authorisation and calculation of post model adjustments and management overlays.</li> <li>- Testing management's controls on compliance with Ind AS 109 disclosures related to ECL.</li> <li>- 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.</li> </ul> <p>We also performed the following important tests</p> <ul style="list-style-type: none"> <li>- Evaluating the appropriateness of the Company's Ind AS 109 impairment methodologies and reasonableness of assumptions used (including management overlays).</li> <li>- For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology.</li> <li>- The reasonableness of the Company's considerations of the impact due to uncertain economic environment on the ECL determination.</li> </ul>

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter(s)
	<p>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. 41.1) disclose the sensitivities estimated by the Company.</p> <p><b>Disclosures</b></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><b>Test of details</b></p> <p>Key aspects of our testing included:</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- 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.</li> <li>- Assessing disclosures - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining the ECL.</li> </ul> <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>
5.	<p><b>Assessment of Purchase Price Allocation (PPA) on acquisition of business in accordance with Ind AS 103, Business Combinations and the appropriateness of the carrying value of the acquired Net Assets and Goodwill as at the year-end.</b> (Refer Note 50 to the consolidated financial statements)</p> <p>On February 28, 2023, the Company acquired the Housing Finance business of National Trust Housing Finance Limited pursuant to the Business Transfer Agreement (BTA) as described in the aforesaid note. The Company determined the acquisition to be a Business Combination in accordance with the Ind AS 103, <i>Business Combinations</i>. Ind AS 103 requires the identified assets and liabilities be recognized at fair value at the date of acquisition with the excess of the acquisition cost over the identified fair value of recognized assets and liabilities as goodwill.</p> <p>The Company 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 determined that the fair values of the net identifiable assets acquired was ₹ 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 ₹ 382 lakhs.</p>	<p>(Centrum Housing Finance Limited ('CHFL'), a subsidiary company)</p> <p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- 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.</li> <li>- We have traced the value of the consideration transferred with reference to the BTA.</li> <li>- 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.</li> <li>- We have verified the management's computation of goodwill.</li> <li>- We have assessed the accuracy and appropriateness of the disclosures made in the financial statements.</li> </ul>

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter(s)
	<p>Significant assumptions and estimates are 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>Accordingly, these are considered to be a key audit matter. The Management concluded that the recoverable amount is higher than their carrying value and that no impairment provision is required.</p>	<p>Based on our procedures performed above, we noted that the PPA of the consideration is in accordance with Ind AS 103 - and that the carrying value of the acquired Net Assets and Goodwill as at the year-end was appropriate.</p>

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

The Holding 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, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with accounting principles generally accepted in India,

including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group and of its associate 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 and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 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 ability of the Group 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 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 and its associate to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the

disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

### Other Matter

- a) We did not audit the financial statements of twelve (12) subsidiaries (including a limited liability partnership) and one (1) associate, whose financial statements reflect Group's share of total assets of ₹ 12,16,806.70 lakhs as at 31<sup>st</sup> March, 2023, Group's share of total revenues of ₹ 1,33,402.94 lakhs and Group's share



of total net profit (including other comprehensive income) after tax of ₹ 499.08 lakhs for the year ended 31<sup>st</sup> March, 2023, as considered in the consolidated financial statements, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of the such auditors and the procedures performed by us are as stated in section above.

- b) We did not audit the financial statements of three (3) subsidiaries which are located outside India whose financial statements / financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by its independent auditor under generally accepted auditing standards applicable in its country, whose financial statements reflects total assets of ₹ 753.48 lakhs and net assets of ₹ 572.48 lakhs as at 31<sup>st</sup> March, 2023, total revenues of ₹ 143.15 lakhs and net cash outflows of ₹ 190.08 lakhs for the year ended on that date, as considered in the consolidated financial statements. The Company's management has converted the financial statements of those subsidiaries located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of those subsidiaries located outside India is based on the report of its independent auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these companies, is based on the reports of such auditors and procedures performed by us are as stated in paragraph above. Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors.
- c) The consolidated financial statements for the year ended 31<sup>st</sup> March, 2022 includes consolidated financial statements for the quarter ended 30<sup>th</sup> June, 2021 which was reviewed and reported by predecessor auditor, vide their review report dated 13<sup>th</sup> August, 2021 and have been relied upon by us for the purpose of our audit of the consolidated financial statements.

Our opinion is not modified in respect of the above matters.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;
  - b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) in our opinion, the aforesaid consolidated financial statements comply with Indian Accounting Standards specified under Section 133 of the Act;
  - e) on the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and its associate incorporated in India, none of the directors of the Group companies and associate company is disqualified as on 31<sup>st</sup> March, 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 over financial reporting of the Group and the 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 Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company, its subsidiaries and its associate incorporated in

India, where applicable, 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 by the Holding Company, its subsidiaries and its associate incorporated in India is not in excess of the limit laid down under Section 197 of the Act. Further, the Ministry of Corporate Affairs has not prescribed other details under aforesaid section which are required to be commented upon by us;

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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate - (Refer Note 47 to the consolidated financial statements);

(ii) The Group 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 - (Refer Note 8 to the consolidated financial statements) in respect of such items as it relates to the Group.

(iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries and its associate incorporated in India;

(iv) (a) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the consolidated financial statements, during the year, 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 Holding Company or its subsidiaries or associate incorporated in India to or in any other person or entity, including foreign entities (the '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 Holding Company or

its subsidiaries incorporated in India (the '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, other than as disclosed in the notes to the consolidated financial statements during the year, no funds have been received by the Holding Company or its subsidiaries incorporated in India from any person or entity, including foreign entities (the 'Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiaries or associate incorporated in India 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 (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(c) based on such audit procedures, we have considered reasonable and appropriate in the circumstances that nothing has come to our notice that has caused us to believe that the representations under paragraph (a) and (b) above, contain any material misstatement.

(v) The Holding Company has not declared nor paid any dividend during the year. Further, based on the audit reports of the subsidiaries and its associate incorporated in India, those entities have not declared nor paid any dividend during the year. Accordingly, reporting on the compliance with Section 123 of the Act is not applicable.

(vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended, for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company from the financial year commencing on or after 1<sup>st</sup> April, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable for the financial year ended 31<sup>st</sup> March, 2023.

2. With respect to the matters specified in the Paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Report, and according to the information and explanations given to us, and based on our audit of Holding Company and on the consideration of the report of other auditors on separate financial statements and other financial information of the subsidiaries and associate, incorporated in India as noted in the 'Other Matter' paragraph, we give below a statement on the matters specified in paragraphs 3(xxi) of the Order.

<b>Sr. No.</b>	<b>Name</b>	<b>Relationship</b>	<b>Clause number of the CARO report which is unfavourable or adverse</b>
1	Centrum Retail Services Limited	Subsidiary	(iii)(c) and (d), (vii)(a), (xiv)(b), (xvii)
2	Centrum Broking Limited	Subsidiary	(vii)(a)
3	Centrum Housing Finance Limited	Subsidiary	(iii)(c) and (d)
4	Centrum Financial Services Limited	Subsidiary	(vii)(b), (ix)(d)
5	Modulus Alternatives Investment Managers Limited ( <i>formerly Centrum Alternatives Investment Managers Limited</i> )	Subsidiary	(xvii), (xviii), (xix)
6	Centrum Capital Advisors Limited	Subsidiary	(iii)(e), (xvii)
7	Centrum Insurance Brokers Limited	Subsidiary	(iii)(e), (vii)(a)
8	Centrum Wealth Limited	Subsidiary	(iii)(c) and (d)
9	Centrum Investment Advisors Limited	Subsidiary	(vii)(a)
10	Ignis Capital Advisors Limited	Subsidiary	(xvii)

**SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No.109982W  
by the hand of

**Edwin Paul Augustine**

Partner  
Membership No. 043385  
UDIN: 23043385BGPJRJ2047

Mumbai, 19<sup>th</sup> May, 2023

## Annexure 'A' To The Independent Auditor's Report

(Referred to in paragraph 2(f) of our report of even date)

### Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013 (the 'Act')

In conjunction with our audit of the consolidated financial statements of the **Centrum Capital Limited** (the 'Holding Company') as of and for the year ended 31<sup>st</sup> March, 2023, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiaries and its associate which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries and its associate which are companies incorporated in India, 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 on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the '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 the 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 Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, 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 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding 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 consolidated 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 consolidated 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 consolidated 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 and based on consideration of reporting of other auditors as mentioned in Other Matters paragraph below, the Holding Company, its subsidiaries and its associate which are companies incorporated in India, have, 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 31<sup>st</sup> March, 2023,

based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to twelve (12) subsidiaries (including a limited liability partnership) and one (1) associate which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

### **SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No.109982W  
by the hand of

### **Edwin Paul Augustine**

Partner

Membership No. 043385

UDIN: 23043385BGPJRJ2047

Mumbai, 19<sup>th</sup> May, 2023

# Consolidated Balance Sheet

as at March 31, 2023

(₹ in lakhs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	6	59,863.76	4,43,535.98
Bank balances other than cash and cash equivalents, above	7	18,154.01	19,492.90
Derivative financial instruments	8	455.89	1,402.74
Receivables			
Trade receivables	9	3,201.06	3,459.89
Loans	10	6,83,558.37	3,57,254.85
Investments	11	2,51,713.40	2,86,737.08
Other financial assets	12	6,021.02	4,951.95
		<b>10,22,967.51</b>	<b>11,16,835.39</b>
<b>Non-financial assets</b>			
Current tax assets (net)	13	2,044.81	3,428.58
Deferred tax assets (net)	41	78,812.18	78,565.99
Property, plant and equipment	14	32,766.37	31,606.14
Right-of-Use assets	15	11,699.92	3,019.14
Capital work-in-progress	16	337.81	21.43
Intangible asset under development	17	207.25	-
Goodwill on consolidation	49	4,779.42	4,779.42
Goodwill	49	382.00	-
Other intangible assets	17	1,404.44	1,127.28
Other non-financial assets	18	17,782.36	9,808.99
Assets held-for-sale	19	851.62	318.50
		<b>1,51,068.18</b>	<b>1,32,675.47</b>
<b>TOTAL ASSETS</b>		<b>11,74,035.69</b>	<b>12,49,510.86</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Derivative financial instruments	20	38,209.58	33,155.20
Payables			
Trade payables	21		
(i) Total outstanding dues of micro and small enterprises		0.02	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		14,749.01	11,298.36
Other payables			
(i) Total outstanding dues of micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		4,680.50	6,740.50
Debt securities	22	1,08,878.02	1,42,330.73
Borrowings (other than Debt securities)	23	1,56,446.90	85,241.08
Deposits	24	2,63,158.21	3,83,790.95
Other financial liabilities	25	3,60,613.88	3,56,115.64
		<b>9,46,736.12</b>	<b>10,18,672.46</b>
<b>Non-financial liabilities</b>			
Provisions	26	30,235.72	29,228.65
Other non-financial liabilities	27	9,470.42	2,664.75
		39,706.14	31,893.40
<b>Equity</b>		<b>9,86,442.26</b>	<b>10,50,565.86</b>
Equity share capital	28	4,160.33	4,160.33
Other equity	29	55,179.45	63,329.70
Equity attributable to owners of the Company		59,339.78	67,490.03
Equity attributable to Non-Controlling Interest		1,28,253.65	1,31,454.97
		<b>1,87,593.43</b>	<b>1,98,945.00</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>11,74,035.69</b>	<b>12,49,510.86</b>

## Corporate Information and Significant Accounting Policies

The accompanying notes form an integral part of the consolidated financial statements

1-5  
43-75

As per our report attached

### SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 109982W

by the hand of

### Edwin Paul Augustine

Partner

Membership No.043385

Place : Mumbai

Date : May 19, 2023

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

### Jaspal Singh Bindra

Executive Chairman

DIN : 00128320

### Sriram Venkatasubramanian

Chief Financial Officer

### Parthasarathy Iyengar

Company Secretary

Membership No. A21472

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in lakhs)

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
<b>Revenue from operations</b>			
Interest income	30	94,441.54	38,452.00
Fees and commission income	31	25,757.28	23,729.03
Net gain on fair value changes	32	1,513.49	-
Income from trading		8,446.19	5,812.48
Other operating income	33	847.40	1,459.71
<b>Total Revenue from operations</b>		<b>1,31,005.90</b>	<b>69,453.22</b>
Other Income	34	5,543.96	1,978.51
<b>Total Income</b>		<b>1,36,549.86</b>	<b>71,431.73</b>
<b>Expenses</b>			
Finance costs	35	63,640.09	32,998.70
Net loss on fair value changes	32	-	1,067.39
Impairment on financial instruments (net)	36	6,688.64	10,566.81
Purchase of Stock-in-trade		8,448.87	5,839.76
Employee benefits expenses	37	43,099.61	25,913.11
Changes in inventories		-	-
Depreciation and amortisation	38	3,795.03	2,146.81
Other expenses	39	28,742.05	11,331.02
<b>Total Expenses</b>		<b>1,54,414.29</b>	<b>89,863.60</b>
<b>Profit/(Loss) before tax</b>		<b>(17,864.43)</b>	<b>(18,431.87)</b>
<b>Tax expense :</b>			
- Current tax	41	1,566.17	593.22
- Deferred tax charge/ (credit)	41	(1,104.87)	(42.94)
- Tax adjustments for earlier years	41	(31.86)	11.77
Total Tax expenses		<b>429.44</b>	<b>562.05</b>
<b>Profit/(Loss) after tax before share of profit/(loss) of associate</b>		<b>(18,293.87)</b>	<b>(18,993.92)</b>
<b>Share of profit/(loss) of associate</b>		-	-
<b>Profit/(Loss) for the year</b>		<b>(18,293.87)</b>	<b>(18,993.92)</b>
<b>Other Comprehensive Income (OCI)</b>			
<b>i. Items that will not be reclassified to profit and loss</b>			
(a) Changes in fair value of equity instruments through OCI		-	-
(b) Remeasurements of defined benefit plan		106.10	(612.83)
(c) Income tax relating to items that will not be reclassified to profit and loss	41	(25.91)	165.98
<b>ii. Items that will be reclassified to profit and loss</b>			
(a) Changes in fair value of instruments through OCI		4.34	-
(b) Exchange difference in translating the financial statements of a foreign operation		(6.52)	(0.29)
(c) Income tax relating to items that will be reclassified to profit and loss		(1.09)	-
<b>Total Other Comprehensive Income (OCI)</b>		<b>76.92</b>	<b>(447.14)</b>
<b>Total Comprehensive Income for the year</b>		<b>(18,216.95)</b>	<b>(19,441.06)</b>
<b>Profit/(Loss) for the year attributable to:</b>		<b>(18,293.87)</b>	<b>(18,993.92)</b>
Owners of the Company		(14,978.65)	(17,674.22)
Non-controlling Interests		(3,315.22)	(1,319.70)
<b>Other Comprehensive Income for the year attributable to :</b>		<b>76.92</b>	<b>(447.14)</b>
Owners of the Company		28.73	(245.86)
Non-controlling Interests		48.19	(201.28)
<b>Total Comprehensive Income for the year attributable to :</b>		<b>(18,216.95)</b>	<b>(19,441.06)</b>
Owners of the Company		(14,949.92)	(17,920.08)
Non-controlling Interests		(3,267.03)	(1,520.98)
<b>Earnings per equity share</b> (Face Value of Shares ₹ 1 [Previous year : ₹ 1])	42		
Basic (₹)		(3.60)	(4.25)
Diluted (₹)		(3.60)	(4.25)

**Corporate Information and Significant Accounting Policies**

The accompanying notes form an integral part of the consolidated financial statements

1-5  
43-75

As per our report attached

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No. 109982W

by the hand of

**Edwin Paul Augustine**

Partner

Membership No.043385

Place : Mumbai

Date : May 19, 2023

For and on behalf of Board of Directors of  
**Centrum Capital Limited****Jaspal Singh Bindra**

Executive Chairman

DIN : 00128320

**Sriram Venkatasubramanian**

Chief Financial Officer

**Parthasarathy Iyengar**

Company Secretary

Membership No. A21472

# Consolidated Statement of Cash Flows

for the year ended March 31, 2023

Particulars	(₹ in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>A Cash flows from Operating Activities:</b>		
<b>Profit/(Loss) before tax</b>	<b>(17,864.43)</b>	<b>(18,431.87)</b>
<b>Adjustment For :</b>		
Depreciation and amortisation expense	3,795.03	2,146.81
Unamortised income	61.05	-
Impairment on financial assets	2,862.09	10,416.74
Net effect of exchange rate changes	(0.91)	(68.14)
Interest income	(737.53)	2,778.73
Loss/(Profit) on sale of investments (net)	(811.11)	(49.85)
Net gain/(loss) on fair value changes	(322.52)	260.58
Loss/(Profit) on sale of Property, plant and equipment	10.11	1.09
Property plant and equipment written off	7.49	15.39
Gain on modification of Right of Use assets/ sub-lease	(5.11)	(37.32)
Employees stock options	940.16	(467.04)
Dividend on PCNPS	2,248.50	400.48
Dividend income on investments	(9.84)	(6.90)
Finance costs	15,262.55	11,313.37
<b>Operating profit before working capital changes</b>	<b>5,435.53</b>	<b>8,272.06</b>
<b>Adjustments for:</b>		
Decrease/(Increase) in Other financial assets	(1,476.85)	8,434.47
Decrease/(Increase) in Other non-financial assets	(7,585.30)	(7,562.53)
Decrease/(Increase) in Other bank balances	(3,524.35)	16,162.41
Decrease/(Increase) in Loans(net)	(2,91,550.32)	(80,476.47)
Increase/(Decrease) in Deposits	(1,11,782.30)	3,83,790.05
Decrease/(Increase) in Trade receivables	(167.95)	(663.12)
Increase/(Decrease) in Other financial liabilities	(3,121.94)	(31,106.86)
Increase/(Decrease) in Derivatives financial instruments (net)	(6,688.31)	5,653.09
Increase/(Decrease) in Other non-financial liabilities	5,088.13	28,169.98
Increase/(Decrease) Trade payables	770.39	3,177.14
Increase/(Decrease) Other liabilities and provisions	5,768.23	837.78
<b>Cash generated from operations</b>	<b>(4,08,835.04)</b>	<b>3,34,688.00</b>
Direct taxes paid (net of refunds)	(226.95)	(1,608.76)
<b>Net Cash generated from/ (used in) Operating Activities</b>	<b>(4,09,061.99)</b>	<b>3,33,079.24</b>
<b>B Cash flows from Investing Activities:</b>		
Purchase of Property, plant and equipment, Intangible Assets and Goodwill	(2,164.35)	(4,804.50)
Capital work-in-progress	(316.39)	-
Proceeds from sale of Property, plant and equipment	4.34	17.65
Sale of Treasury shares	87.50	-
Proceeds/(Investment) in Bank deposits	(3,661.75)	(1,057.32)
Purchase consideration paid on business combination	(12,625.00)	-
(Acquisition) / Proceeds from purchase/ sale of Investments (net) *	36,158.67	(28,234.75)
Loans and advances given (net of repayments)	(4,429.00)	459.81
Interest received	1,165.29	5,021.92
Dividend on Investment	9.84	6.90
<b>Net Cash generated from / (used in) Investing Activities</b>	<b>14,229.15</b>	<b>(28,590.29)</b>



# Consolidated Statement of Cash Flows

for the year ended March 31, 2023

Particulars	(₹ in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>C Cash flows from Financing Activities:</b>		
Proceeds from issuance of Share capital	-	74,572.29
Proceeds/(Repayment) of Debt securities (net) *	(28,735.77)	37,812.26
Proceeds of Borrowings (other than debt securities) (net) *	45,677.44	(25,378.12)
Payment of lease liability	(1,485.98)	(448.70)
Finance costs paid	(5,749.75)	(12,813.25)
<b>Net cash generated from / (used in) Financing Activities</b>	<b>9,705.94</b>	<b>73,744.48</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3,85,126.90)</b>	<b>3,78,233.43</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>4,43,535.98</b>	<b>20,909.16</b>
Cash received under Business Transfer Agreement	1,454.68	44,393.39
<b>Cash and cash equivalents as at the end of the year</b>	<b>59,863.76</b>	<b>4,43,535.98</b>

(\*net figures have been reported on account of volume of transactions)

Notes :

1. The above consolidated statement of cash flows have been prepared under the indirect method as set out in Ind AS 7, *Statement of Cash Flows* as specified in the Companies (Indian Accounting Standards) Rules, 2015 as amended.
2. The disclosures relating to changes in liabilities arising from financing activities (refer Note 52).
3. Figures for the previous year have been regrouped wherever necessary.
4. Components of cash and cash equivalents.

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalents at the end of the year</b>		
i) Cash on hand	1,465.70	1,572.22
ii) Balances with banks (of the nature of cash and cash equivalents)	53,827.01	3,07,026.10
iii) Bank deposit with original maturity less than three months	4,571.05	1,34,937.66
<b>TOTAL</b>	<b>59,863.76</b>	<b>4,43,535.98</b>

As per our report attached

**SHARP & TANNAN**  
Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

**Edwin Paul Augustine**  
Partner  
Membership No.043385

Place : Mumbai  
Date : May 19, 2023

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

**Jaspal Singh Bindra**  
Executive Chairman  
DIN : 00128320

**Sriram Venkatasubramanian**  
Chief Financial Officer

**Parthasarathy Iyengar**  
Company Secretary  
Membership No. A21472

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

## A. Equity share capital

(₹ in lakhs)

Particulars	For the year ended March 31, 2023				
	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Issued, subscribed and paid-up (Equity shares of face value ₹ 1 each)	4,160.33	-	-	-	4,160.33

(₹ in lakhs)

Particulars	For the year ended March 31, 2022				
	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Issued, subscribed and paid-up (Equity shares of face value ₹ 1 each)	4,160.33	-	-	-	4,160.33



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## 1. Corporate information

Centrum Capital Limited (The “Company” or CCL) is a Public Group engaged in Investment Banking and a SEBI Registered Category-I Merchant Banker. The address of its registered office and principal activities of the Company are disclosed in the introduction to the Annual Report. The Equity shares of the Company are listed on BSE Limited (‘BSE’), National Stock Exchange (‘NSE’) in India. The Company offers a complete gamut of financial services in the areas of equity capital market, private equity, corporate finance, project finance, stressed asset resolution.

### 2.1 Significant accounting policies

## 2. Basis of preparation of Consolidated Ind AS financial statements

The Consolidated Financial Statements of the Company its subsidiaries and associates together (the ‘Group’) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the ‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and the presentation requirements of Schedule III to the act, as amended by the Companies (Accounts) Amendment Rules, 2021 and made effective from 1<sup>st</sup> April, 2021. As stated in the above notification, the Company has made the disclosures specified in the Schedule III to the Act, to the extent those disclosures are applicable and reportable.

These Consolidated Financial Statements have been prepared on a historical cost basis, except for derivative financial instruments and other financial assets held for trading, which have been measured at fair value.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows.

All amounts disclosed in the Financial statements and notes are presented in ₹ lakhs and have been rounded off to two decimal as per the requirement of Division III of Schedule III to the Act, unless otherwise stated.

## 3. Presentation of financial statements

The Group 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 no 51.

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 Group and or its counterparties

## 4. Basis of consolidation

The Consolidated Financial Statements as on March 31, 2023, comprise the financial statements of the Group and its subsidiaries as at March 31, 2023. 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 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

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

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. However, no subsidiaries and associates have followed different accounting policies than those followed by the Group for the preparation of these consolidated financial statements.

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. Business combinations policy explains how to account for any related goodwill, refer below a Note on Business Combination
- 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.

- d. The financial statements of all subsidiaries incorporated outside India are converted on the following basis: (a) Income and expenses are converted at the average rate of exchange applicable for the period/year and (b) All assets

and liabilities are translated at the closing rate as on the Balance Sheet date. The exchange difference arising out of period/year end translation is debited or credited as "Foreign Exchange Translation Reserve" forming part of Other Comprehensive Income and accumulated as a separate component of other equity.

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.

In case the Group ceases to consolidate a subsidiary because of a loss of control, any retained interest in the entity is re-measured to its fair value. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset. When the Group loses control over a subsidiary, it derecognises the assets, including goodwill, and liabilities of the subsidiary, carrying amount of any non-controlling interests, cumulative translation differences recorded in equity and recognise resulting difference between the fair value of the investment retained and the consideration received, and total of amount derecognised as gain or loss attributable to the Company. In addition, amounts, if any, previously recognised in Other comprehensive income in relation to that entity are reclassified to profit or loss as would be required if the Company had directly disposed of the related assets or liabilities.

### **Investment in associates/joint ventures:**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decision of the investee, but it's not control or joint control over those policies. The Group's interest in its associates or joint ventures is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Business combination:

Business combinations are accounted for using the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. The consideration transferred in a business combination comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group and fair value of any assets or liabilities resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities, i.e., deferred tax assets or liabilities, assets or liabilities related to employee benefits arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind AS.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquired entity and the acquisition-date fair value of any previous equity interest in the acquired entity over the acquisition-date fair value of the net identifiable assets acquired is recognised as goodwill. Any gain on a bargain purchase is recognised in Other comprehensive income and accumulated in equity as Capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase, otherwise the gain is recognised directly in equity as Capital Reserve.

Goodwill represents excess of the cost of portfolio acquisition over the net fair value of the identifiable assets and liabilities. Goodwill paid on acquisition of portfolio is included in intangible assets. Goodwill recognised is tested for impairment annually and when there are indications that the carrying amount may exceed the recoverable amount.

Goodwill on acquisitions of subsidiaries is shown as separate line item in financial statements. These Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured subsequently and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of contingent consideration are recognised in profit or loss.

When a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss or Other Comprehensive Income, as appropriate.

Where it is not possible to complete the determination of fair values by the end of the reporting period in which the combination occurs, a provisional assessment of fair values is made and any adjustments required to those provisional values, and the corresponding adjustments to goodwill, are finalised within 12 months of the acquisition date.

Common control business combinations includes 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.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

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.

## 5.1. Significant accounting policies

### a. Property, plant and equipment (PPE)

PPE are stated at cost less accumulated depreciation 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. Subsequent costs incurred on an item of PPE 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. Borrowing costs relating to acquisition of PPE 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. Gains or losses arising from derecognition of PPE 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.

Depreciation on PPE is provided on straight line method over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013 except for leasehold improvements. Leasehold improvements are amortised over a period of lease or useful life, whichever is less. The residual values, useful lives and method of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

Particulars	Estimated useful life specified under Schedule II of the Act.
Building	60 years
Furniture and fixtures	10 years
Vehicles	5-8 years
Office equipment	3-5 years
Leaseholds improvements	Life of lease

Particulars	Estimated useful life specified under Schedule II of the Act.
Electric Installation & equipment	10 years
Computer servers and networks	6 years
Computer - end user devices, such as desktops and laptops	3 years

### Capital work-in-progress

Capital work-in-progress comprises assets which are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs. Temporarily suspended projects do not include those projects where temporary suspension is a necessary part of the process of getting an asset ready for its intended use. "

### b. 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 losses, if any. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets are amortized on straight line basis over the estimated useful life. The useful lives and method of depreciation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognised in the Statement of profit and loss when the asset is derecognised.

The Group capitalises computer 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 6- 9 years.

### c. Intangible assets under development

It includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## d. Investment property

Investment properties are properties that are held for long-term rentals yields or for capital appreciation. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their useful lives. Investment properties generally have useful lives of 60 years. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Group measures the investment property using cost based measurement, the fair value of the investment property is disclosed in the notes. Fair values are determined based on an annual evaluation.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from their use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

## e. Impairment of non-financial assets

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE and intangible 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 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 pre-tax 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 recognised 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.

## f. Revenue from operations

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

The Group recognises revenue from the following sources:

- i) Fee income including fees for Advisory, Syndication and other allied services. The right to receive fees is based on milestones defined in accordance with The terms of The contracts entered into between The Group and counterparties which also defines its performance obligation. Fee income are accounted for on an accrual basis.

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.

- ii) 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.

Under Ind AS 109, Financial Instruments 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 receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

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.

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

- iii) Brokerage income : Revenue from brokerage activities is accounted for on point in time when performance obligation is satisfied i.e. the trade date of transaction.
- iv) Fees and other charges : Income from fees and other charges, viz login fee, pre-payment charges etc., are recognised on a point-in-time basis and are recorded when realised.
- v) Portfolio management fees : Income from portfolio management fees is recognised over the period of the agreement in terms of which services are performed.
- vi) Dividend income: Dividend income is recognised in profit or loss when the Group's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably.
- vii) Rental income: Rental income is recognized over a period of time as and when accrued as per the terms of the contract.

- viii) 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 32), 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.

- xi) 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.
- x) Other income and expenses Other income and expenses are recognised in the period in which they occur.

### **g. Leases**

#### **The Group 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

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

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.

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 ROU 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.

ROU 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 re-measured with a corresponding adjustment to the related ROU 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.

## The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the RoU arising from the head lease.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

## h. 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 Group becomes a party to the contractual provisions of the instrument. This includes regular trades, purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention. The Group recognises borrowings when funds are received by the Group.

### 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.

### Classification and subsequent measurement of financial instruments

#### (i) Financial assets :

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

#### 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 gives rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. The changes in carrying value of such financial asset is recognised in profit and loss account.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI 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 to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of such financial asset is 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 are measured at FVTPL. The Group measures all financial assets classified as FVTPL at fair value at each reporting date. The changes in fair value of such financial asset is recognised in Profit and loss account.

## Amortised 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 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.

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.

## Financial assets held for trading

The Group classifies financial assets as held for trading when they have been acquired primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed

together, for which there is pattern of short-term profit. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value.

## Asset held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

## Other equity instruments

The Group subsequently measures all other equity investments at fair value through profit or loss, unless the management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI.

## Impairment of financial assets

The Group records allowance for expected credit losses for all amortised cost financial assets and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109, Financial Instruments.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

on lifetime ECLs at each reporting date, right from its initial recognition. The Group 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 Group 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 the financial instrument has not increased significantly since initial recognition, the Group 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 on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

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

## Impairment of Financial asset - ECL Provision for Lending Entity & Methods

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. The measurement of ECL 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 PD and 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 Group's understanding of the specific future financing needs of the borrowers, and other relevant forward-looking information. If a financial instrument includes both a loan (i.e. financial asset) and an undrawn commitment (i.e. loan commitment) component and the Group cannot separately identify the ECL on the loan commitment component from those on the financial asset component, the ECL on the loan commitment have been recognised together with the loss allowance for the financial asset. To the extent that the combined ECL exceed the gross carrying amount of the financial asset, the ECL have been recognised as a provision. Also, for other loan commitments and all financial guarantee contracts, the loss allowance has been recognised as a provision.

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 47.

## Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of the Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

The rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability, the transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Group has returned.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## (ii) Financial liabilities and equity :

Financial instruments issued by the Group 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 the Group entity are recognised at the proceeds received, net of direct issue costs.

All financial liabilities are measured at amortised cost except for financial guarantees and derivative financial liabilities.

### 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.

### Financial guarantee:

Financial guarantees are contracts that requires the Group to make specified payments to the holders to make good the losses incurred arising from default in performance obligation by the borrower.

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.

### Loan commitment

Undrawn loan commitments are commitments under which, the Group is required to provide a loan with pre-specified terms to the customer during the duration of commitment.

### Derivative contracts (Derivative assets/Derivative liability)

The Group enters into a variety of derivative financial contracts to manage its exposure to market risks including futures and options contracts.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in profit or loss immediately.

### Embedded derivatives

The embedded derivatives are treated as separate derivatives when:

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

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract, with the effect that some of the cash flows of the combined instrument vary in a way similar to a consolidated 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 Group chooses to designate the hybrid contracts at fair value through profit or loss.

### Treasury Shares

The Group is a sponsor to trusts namely Centrum ESPS Trust. These trusts have been formed exclusively to provide benefits to employees of the Group and its subsidiaries. These trusts have been treated as an extension of the Group for the purpose of these financial statements. Accordingly, the equity shares of the Group held by these trusts have been treated as treasury shares. The amount paid for the treasury shares is deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## 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 assets and financial liabilities

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

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 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 Fair value measurement

The Group 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 Group.

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 best economic 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 Group 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 are derived from directly or indirectly observable market data available.

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 Group 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 re-measured or re-assessed as per the Group'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.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## **j. 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 other financial liabilities in the balance sheet.

## **k. 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.

## **l. Foreign exchange transactions and translations**

### **Initial recognition**

Transactions in foreign currencies are recognized at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction date.

### **Conversion**

Transactions in foreign currencies 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 recognized in Statement of Profit and 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. Thus, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

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

## **m. Retirement and other employee benefits**

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.

- (i) Under The 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 Group makes contribution to a scheme administered by the Life Insurance Corporation of India ('LIC') to discharge the gratuity liability to employees. The Group records its gratuity liability based on an actuarial valuation made by an independent actuary as at year end. Contribution made to the LIC fund and provision made for the funded amounts are expensed in the books of accounts.
- (ii) Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit Method.
- (iii) Remeasurement 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. Remeasurements are not reclassified to profit or loss in subsequent period.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

The Company does not present the above liability/ (asset) as current and non-current in the Balance Sheet as per the principles of Division III of Schedule III to the Act as per MCA's Notification dated 11<sup>th</sup> October, 2018.

## n. 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.

Deferred tax assets are also recognised with respect to carry forward of unused tax losses and unused tax credits (including Minimum Alternative Tax credit) 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
- tax planning opportunities are available that will create taxable profit in appropriate periods.

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 Group 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 Group intends to settle its current tax assets and liabilities on a net basis.

### Minimum alternate tax (MAT)

MAT paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Group will pay normal income tax and thereby utilising MAT credit during the specified period, i.e., the period for which MAT credit is allowed to be carried forward and utilised. In the year in which the Group recognises MAT credit as



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

## 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.

## **o. 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 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.

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

## **p. 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.

## **q. Employee stock option plan (ESOP)**

Equity-settled share-based payments to employees and others providing similar services that are granted by the ultimate 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 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 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 Share Options Outstanding Account is transferred within equity.

## **r. Segment reporting**

### Identification of segments

Operating Segments are identified based on monitoring of operating results by the Chief Operating Decision-Maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Group. Operating Segment is identified based on the nature of products

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

and services, the different risks and returns, and the internal business reporting system.

## Segment policies

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

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

Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

## 5.2 Significant accounting judgments, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the grouping 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

### Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Consolidated Ind AS 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.

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

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Group's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- PD calculation includes historical data, assumptions and expectations of future conditions.
- The Group'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 expected credit loss and the qualitative assessment

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

- The segmentation of financial assets when their ECL is assessed on a collective basis
- 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, EAD and LGD
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models. It is Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

## • **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 Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment used by the Group 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 Group 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.

## • **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 plan (ESOP)**

The Group 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.

## **Key source of 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 Group 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 Group. Such changes are reflected in the assumptions when they occur.

## • **Employee benefits plans**

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.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Future salary increases are based on expected future inflation rates for India. The attrition rate represents the Group'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 46.

- **Useful lives of property, plant and equipment:**

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

- **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

The following standards / amendments to standards have been issued and will be effective from April 01, 2023. The Group has evaluated the requirements of these standards, improvements and amendments and there are no impacts on the financial statements.

- (a) Indian Accounting Standard (Ind AS) 1, *Presentation of Financial Statements* - This amendment requires the entities to disclose their 'material accounting policies' rather than their significant accounting policies.
- (b) Indian Accounting Standard (Ind AS) 8, *Accounting Policies, Changes in Accounting Estimates and Errors* - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.
- (c) Indian Accounting Standard (Ind AS) 12, *Income Taxes* - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

## Notes forming part of the Consolidated Financial Statements

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### Note 6 : CASH AND CASH EQUIVALENTS

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Cash on hand including foreign currencies	1,465.70	1,572.22
Unrestricted balances with bank		
In current accounts	21,075.64	2,64,172.95
In deposits accounts with original maturity less than 3 months	4,571.05	1,34,937.66
Balance with RBI in current account	22,050.44	14,056.97
Balance with RBI in other account	10,701.83	-
Balances with banks and money at call and short notice	-	28,998.08
Less: Impairment loss allowance	0.90	201.90
<b>TOTAL</b>	<b>59,863.76</b>	<b>4,43,535.98</b>

### Note 7 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS, ABOVE

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In term deposit accounts :		
Term deposit accounts with maturity more than 3 months	8,075.48	9,969.96
Term deposits pledged for bank overdraft facility, credit enhancement for loans or security against the borrowings (refer Note 7(a))	9,290.28	8,735.04
Earmarked balances with banks		
Escrow Account (refer Note 7(b))	786.04	786.04
Unpaid dividend accounts	4.26	4.26
Less: Impairment loss allowance	2.05	2.40
<b>TOTAL</b>	<b>18,154.01</b>	<b>19,492.90</b>

Note: Term deposits and other balances with banks earns interest at fixed rate or floating rates based on daily bank deposit rates.

#### 7(a) Encumbrances on fixed deposits held by the Group:

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Bank guarantee for cash credit lines		
HDFC Bank Limited	-	294.01
State Bank of India	-	7.98
Bank of Baroda	-	469.21
Axis Bank Limited	8,900.50	7,653.58
Security deposit to the extent held as credit enhancement for loans or security against the borrowings		
Various Banks/Financial Institutions *	389.78	310.26
	<b>9,290.28</b>	<b>8,735.04</b>

\* Credit enhancements for loans

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 7 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS, ABOVE (Contd..)

### 7(b) Earmarked Balances With Banks :

Note : The Group has deposited ₹ 786.04 lakhs (Previous Year 786.04 lakhs) under an Escrow agreement with Yes Bank Limited towards any future occurrence of loss or liabilities arising from any government authority / tax authorities applicable to the divested entity EbixCash World Money Limited (formerly Centrum Direct Limited)

### 7(c) Credit quality of assets:

The table below shows the credit quality and the maximum exposure to credit risk based on the NBFC subsidiary Company's year-end stage classification. The amounts presented are gross of impairment allowances

#### Unity Small Finance Bank Limited

(₹ in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing								
High grade	5,022.36	-	-	5,022.36	1,36,458.82	-	-	1,36,458.82
<b>Total</b>	<b>5,022.36</b>	<b>-</b>	<b>-</b>	<b>5,022.36</b>	<b>1,36,458.82</b>	<b>-</b>	<b>-</b>	<b>1,36,458.82</b>

### 7(d) Reconciliation of changes in gross carrying amount for investments: Term deposits with banks

#### Unity Small Finance Bank Limited

(₹ in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount - opening balance</b>	<b>1,36,458.82</b>	<b>-</b>	<b>-</b>	<b>1,36,458.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
New assets originated or purchased	5,022.36	-	-	5,022.36	1,36,709.88	-	-	1,36,709.88
Unwinding of discount (recognised in interest income)	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Assets derecognised or matured (excluding write off)	(1,36,458.82)	-	-	(1,36,458.82)	(251.06)	-	-	(251.06)
<b>Closing balance</b>	<b>5,022.36</b>	<b>-</b>	<b>-</b>	<b>5,022.36</b>	<b>1,36,458.82</b>	<b>-</b>	<b>-</b>	<b>1,36,458.82</b>

#### Centrum Financial Services Limited

(₹ in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount - opening balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>661.65</b>	<b>-</b>	<b>-</b>	<b>661.65</b>
New assets originated or purchased	-	-	-	-	-	-	-	-
Unwinding of discount (recognised in interest income)	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Assets derecognised or matured (excluding write off)	-	-	-	-	(661.65)	-	-	(661.65)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 7 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS, ABOVE (Contd..)

7e) Reconciliation of ECL balance is given below :

#### Unity Small Finance Bank Limited

(₹ in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>ECL allowance - Opening balance</b>	<b>202.35</b>	-	-	<b>202.35</b>	-	-	-	-
New assets originated or purchased	(201.14)	-	-	(201.14)	202.35	-	-	202.35
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on year end ECL of Exposures transferred between Stages during the year and reversal of ECL on account of recovery	-	-	-	-	-	-	-	-
Unwinding of Discount	-	-	-	-	-	-	-	-
Changes to Contractual Cash Flows due to modification not resulting into derecognition	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL Calculation	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
<b>ECL allowance - Closing balance</b>	<b>1.21</b>	-	-	<b>1.21</b>	<b>202.35</b>	-	-	<b>202.35</b>

#### Centrum Financial Services Limited

(₹ in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>ECL allowance - Opening balance</b>	-	-	-	-	<b>0.13</b>	-	-	<b>0.13</b>
New assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	(0.13)	-	-	(0.13)
Amounts written off	-	-	-	-	-	-	-	-
<b>ECL allowance - Closing balance</b>	-	-	-	-	-	-	-	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 8 : DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Index derivatives	455.89	1,402.74
<b>TOTAL</b>	<b>455.89</b>	<b>1,402.74</b>

**Notes :** The Group enters into derivatives for risk management purposes. Derivatives held for risk management purposes 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 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	(₹ in lakhs)			
	As at March 31, 2023		As at March 31, 2022	
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Assets
Index derivatives:	404.14	455.89	1,186.38	1,402.74
<b>Total</b>	<b>404.14</b>	<b>455.89</b>	<b>1,186.38</b>	<b>1,402.74</b>

#### Hedging activities and derivatives :

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Group's risk management strategy and how it is applied to manage risk are explained in Note 59.

#### Derivatives designated as hedging instruments :

The Group has not designated any derivatives as hedging instruments.

### Note 9 : TRADE RECEIVABLES

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Trade receivables</b>		
(i) Secured, undisputed, considered good	367.02	342.66
(ii) Unsecured, undisputed, considered good		
From Others	3,115.62	3,593.02
From Related parties (refer Note 44.2)	27.43	1.81
Less: Allowance for expected credit loss	309.01	477.60
(iii) Credit impaired	739.74	703.47
Less: Allowance for expected credit loss	739.74	703.47
<b>TOTAL</b>	<b>3,201.06</b>	<b>3,459.89</b>



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 9 : TRADE RECEIVABLES** (Contd..)**Note 9(i) : TRADE RECEIVABLES**

Neither trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 days.

## Trade receivables days past due :

							(₹ in lakhs)
Particulars	Current	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
<b>ECL rate</b>		<b>8.33%</b>	<b>23.58%</b>	<b>98.83%</b>	<b>96.01%</b>	<b>100.00%</b>	
<b>March 31, 2023</b>	Gross carrying amount	3,452.71	42.19	108.61	65.60	580.70	4,249.81
	ECL-Simplified approach	(287.78)	(9.95)	(107.34)	(62.98)	(580.70)	(1,048.75)
	<b>Net carrying amount</b>	<b>3,164.93</b>	<b>32.24</b>	<b>1.27</b>	<b>2.62</b>	<b>-</b>	<b>3,201.06</b>
<b>ECL rate</b>		<b>3.98%</b>	<b>9.62%</b>	<b>99.75%</b>	<b>100.00%</b>	<b>100.00%</b>	
<b>March 31, 2022</b>	Gross carrying amount	3,241.38	384.48	77.30	112.25	825.55	4,640.96
	ECL-Simplified approach	(129.15)	(37.01)	(77.11)	(112.25)	(825.55)	(1,181.07)
	<b>Net carrying amount</b>	<b>3,112.23</b>	<b>347.47</b>	<b>0.19</b>	<b>-</b>	<b>-</b>	<b>3,459.89</b>

## Reconciliation of impairment allowance on trade receivables :

		(₹ in lakhs)
Particulars		Amount
<b>Impairment allowance measured as per simplified approach</b>		
<b>Impairment allowance as at April 01, 2021</b>		<b>845.80</b>
Add: Changes in allowances due to		
Net remeasurement of loss allowance		335.27
<b>Impairment allowance as at March 31, 2022</b>		<b>1,181.07</b>
Add: Changes in allowances due to		
Net remeasurement of loss allowance		132.32
<b>Impairment allowance as at March 31, 2023</b>		<b>1,048.75</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 10 : LOANS

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>A) Loans at amortised cost</b>		
Corporate and Retail Credit	10,45,604.89	7,28,409.44
Loans to related parties (refer Note 44.2)	11,717.51	1,021.29
Other Credit	-	1.53
<b>Total (A) - (Gross)</b>	<b>10,57,322.40</b>	<b>7,29,432.26</b>
Less : Impairment loss allowance	3,73,764.03	3,72,177.41
<b>Total (A) - (Net)</b>	<b>6,83,558.37</b>	<b>3,57,254.85</b>
<b>B) (i) Secured by tangible assets</b>	3,29,206.64	2,25,515.15
(ii) Secured by intangible assets	-	-
(iii) Secured by book debts, inventories, term deposits and other bank/ government guarantees	-	-
(iv) Unsecured	7,28,115.76	5,03,917.11
<b>Total (B) - (Gross)</b>	<b>10,57,322.40</b>	<b>7,29,432.26</b>
Less: Impairment loss allowance	3,73,764.03	3,72,177.41
<b>Total (B) - (Net)</b>	<b>6,83,558.37</b>	<b>3,57,254.85</b>
<b>C) (i) Loans in India</b>		
- Public sector	-	-
- Others	10,57,322.40	7,29,432.26
<b>Total (C) - (Gross)</b>	<b>10,57,322.40</b>	<b>7,29,432.26</b>
Less: Impairment loss allowance	3,73,764.03	3,72,177.41
<b>Total [C (i)]- (Net)</b>	<b>6,83,558.37</b>	<b>3,57,254.85</b>
<b>(ii) Loans outside India</b>	-	-
Less: Impairment loss allowance	-	-
<b>Total [C (ii)]- (Net)</b>	-	-
<b>Total [C (i+ii)]- (Net)</b>	<b>6,83,558.37</b>	<b>3,57,254.85</b>

#### 10.D Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## 10.D.1 Credit quality of loans

Unity Small Finance Bank Limited

(₹ in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Internal rating grade</b>								
Low Risk	4,71,415.62	-	-	4,71,415.62	2,13,063.38	-	-	2,13,063.38
Medium Risk	-	6,900.87	-	6,900.87	-	9,449.40	-	9,449.40
High Risk	-	-	3,77,522.69	3,77,522.69	-	-	3,77,721.56	3,77,721.56
<b>Total</b>	<b>4,71,415.62</b>	<b>6,900.87</b>	<b>3,77,522.69</b>	<b>8,55,839.18</b>	<b>2,13,063.38</b>	<b>9,449.40</b>	<b>3,77,721.56</b>	<b>6,00,234.34</b>

Centrum Housing Finance Limited

(₹ in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Internal rating grade</b>								
Low Risk	1,06,246.58	-	-	1,06,246.58	53,864.32	-	-	53,864.32
Medium Risk	-	4,729.83	-	4,729.83	-	2,640.42	-	2,640.42
High Risk	-	-	3,039.34	3,039.34	-	-	1,549.54	1,549.54
<b>Total</b>	<b>1,06,246.58</b>	<b>4,729.83</b>	<b>3,039.34</b>	<b>1,14,015.75</b>	<b>53,864.32</b>	<b>2,640.42</b>	<b>1,549.54</b>	<b>58,054.28</b>

## 10.D.2 Reconciliation of changes in gross carrying amount and corresponding ECL allowances for loans and advances to corporate and retail customers:

The following disclosure provides stage wise reconciliation of the Company's gross carrying amount and ECL allowances for loans and advances to corporates and retail customers. The transfers of financial assets represents the impact of stage transfers upon the gross carrying amount and associated allowance for ECL. The net remeasurement of ECL arising from stage transfers represents the increase or decrease due to these transfers.

The 'New assets originated /repayments received (net)' represent the gross carrying amount and associated allowance ECL impact from transactions within the Company's lending portfolio.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

An analysis of changes in the gross carrying amount as follows:

Unity Small Finance Bank Limited

Particulars	As at March 31, 2023					As at March 31, 2022				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Gross carrying amount opening balance</b>					<b>6,00,234.34</b>					
New assets originated or purchased under slump sale (November 01, 2022)	2,18,178.44	4,334.34	7,555.08	3,70,166.48	<b>3,94,236.51</b>	1,26,692.44	-	-	879.47	<b>1,27,571.91</b>
New assets originated or purchased under Amalgamation (November 01, 2022)	-	-	-	-	-	46,372.89	-	-	3,71,027.24	<b>4,17,400.13</b>
New assets originated or purchased	(1,22,931.24)	(3,736.31)	(3,224.81)	(12,320.06)	<b>(1,42,212.42)</b>	1,16,488.03	-	-	(888.62)	<b>1,16,488.03</b>
Assets derecognised or repaid (excluding write off)	(481.39)	-	481.39	-	-	(60,143.31)	-	(193.80)	(851.61)	<b>(61,225.73)</b>
Transfer to Stage 1	(7,023.82)	7,023.82	-	-	-	851.61	-	-	(851.61)	-
Transfer to Stage 2	(10,562.89)	(788.79)	11,351.68	-	-	(4,334.34)	4,334.34	-	-	-
Transfer to Stage 3	-	67.83	394.72	4,033.06	<b>4,495.61</b>	(7,748.88)	-	7,748.88	-	-
Changes to contractual cash flows due to change in credit risk	-	-	-	-	-	-	-	-	-	-
Assets derecognised or collected	-	-	-	(914.85)	<b>(914.85)</b>	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-
<b>Gross carrying amount Closing balance</b>	<b>4,71,415.62</b>	<b>6,900.87</b>	<b>16,558.06</b>	<b>3,60,964.63</b>	<b>8,55,839.19</b>	<b>2,18,178.44</b>	<b>4,334.34</b>	<b>7,555.08</b>	<b>3,70,166.48</b>	<b>6,00,234.34</b>

Centrum Microcredit Limited

Particulars	As at March 31, 2023					As at March 31, 2022				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Gross carrying amount opening balance</b>										
New assets originated or purchased	-	-	-	-	-	41,053.39	2,170.86	396.96	-	<b>43,621.21</b>
Assets derecognised or repaid (excluding write off)	-	-	-	-	-	24,813.43	-	-	-	<b>24,813.43</b>
Transfer to Stage 1	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	(9,035.49)	9,035.49	-	-	-
Changes to contractual cash flows due to modification not resulting into derecognition	-	-	-	-	-	-	(328.96)	328.96	-	-
Assets derecognised or collected	-	-	-	-	-	(17,124.60)	(1,651.96)	(267.65)	-	<b>(19,044.21)</b>
Amounts written off	-	-	-	-	-	-	-	(280.20)	-	<b>(280.20)</b>
Assets transferred through slump sale to Unity Small Finance Bank Limited	-	-	-	-	-	(39,706.73)	(9,225.43)	(178.07)	-	<b>(49,110.23)</b>
<b>Gross carrying amount closing balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Centrum Financial Services Limited

Particulars	As at March 31, 2023					As at March 31, 2022				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Gross carrying amount opening balance</b>	-	-	-	-	-	73,931.28	8,060.75	1,280.15	-	83,272.18
New assets originated or purchased	-	-	-	-	-	60,517.49	-	-	-	60,517.49
Assets derecognised or repaid (excluding write off)	-	-	-	-	-	(64,597.78)	(68.91)	(17.18)	-	(64,683.87)
Transfer to Stage 1	-	-	-	-	-	4,333.03	(4,333.03)	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	(73.43)	(9.16)	82.59	-	-
Changes to contractual cash flows due to modification not resulting into derecognition	-	-	-	-	-	-	-	-	-	-
Assets derecognised or collected	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-
Assets transferred through slump sale to Unity Small Finance Bank Limited	-	-	-	-	-	(74,110.59)	(3,649.65)	(644.17)	-	(78,461.63)
<b>Gross carrying amount closing balance</b>	-	-	-	-	-	-	-	-	-	-

Centrum Housing Finance Limited

Particulars	As at March 31, 2023					As at March 31, 2022				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Gross carrying amount opening balance (a)</b>	53,864.32	2,640.42	1,549.54	-	58,054.28	41,445.58	5,182.01	1,394.98	-	48,022.57
New assets originated or purchased (b)	(9,551.58)	(1,075.83)	55.68	-	(10,571.73)	(7,214.45)	(2,578.37)	204.60	-	(9,588.22)
Assets derecognised or repaid (excluding write off) (c)	61,988.14	3,174.51	2,091.83	-	67,254.48	19,633.19	36.78	1.70	-	19,671.67
Transfer to Stage 1	(1,396.97)	928.16	468.81	-	(0.00)	(1,431.45)	1,169.87	261.58	-	(0.00)
Transfer to Stage 2	1,110.87	(1,637.84)	526.97	-	-	2,525.05	(3,014.68)	489.63	-	0.00
Transfer to Stage 3	104.92	17.73	(122.65)	-	-	83.88	97.63	(181.51)	-	-
Changes to contractual cash flows due to modification not resulting into derecognition	-	-	-	-	-	-	-	-	-	-
Assets derecognised or collected	-	-	-	-	-	-	-	-	-	-
Amounts written off (d)	(54.30)	(9.27)	(65.71)	-	(721.28)	-	-	(51.74)	-	(51.74)
<b>Gross carrying amount closing balance (a+b+c+d)</b>	1,06,246.58	4,729.83	3,039.34	-	1,14,015.75	53,864.32	2,640.42	1,549.54	-	58,054.28

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Reconciliation of ECL balance is given below

Unity Small Finance Bank Limited

Particulars	As at March 31, 2023				As at March 31, 2022					
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - opening balance	2,892.41	190.62	2,982.15	3,57,553.21	3,63,618.39	-	-	-	-	-
New assets originated or purchased under slump sale (November 01, 2023)	-	-	-	-	-	744.83	-	-	269.72	1,014.55
New assets originated or purchased under Amalgamation (November 01, 2023)	-	-	-	-	-	1,921.96	-	-	3,58,296.30	3,60,218.26
New assets originated or purchased	3,867.29	-	-	-	3,867.29	598.35	-	-	(3.82)	594.53
Assets derecognised or repaid (excluding write off)	(578.26)	(434.68)	(1,337.17)	(11,701.99)	(14,052.10)	(183.61)	-	(2.53)	(619.21)	(805.35)
Transfer to Stage 1	(88.11)	-	88.11	-	-	562.36	-	-	(723.37)	(161.01)
Transfer to Stage 2	(144.28)	144.28	-	-	-	(184.34)	190.62	-	-	6.28
Transfer to Stage 3	(94.18)	-	94.18	-	-	(567.14)	-	2,984.68	-	2,417.54
Impact on year end ECL of Exposures transferred between stages during the year and reversal of ECL on account of recovery	-	1,103.20	4,067.93	-	5,171.13	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	5,415.52	5,689.06	11,104.58	-	-	-	333.59	333.59
Amounts written off	-	-	-	(534.78)	(534.78)	-	-	-	-	-
<b>ECL Allowance - closing balance</b>	<b>5,854.87</b>	<b>1,003.42</b>	<b>11,310.72</b>	<b>3,51,005.50</b>	<b>3,69,174.51</b>	<b>2,892.41</b>	<b>190.62</b>	<b>2,982.15</b>	<b>3,57,553.21</b>	<b>3,63,618.39</b>

Centrum Microcredit Limited

Particulars	As at March 31, 2023				As at March 31, 2022					
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - opening balance	-	-	-	-	-	567.20	28.63	332.08	-	927.91
New assets originated or purchased	-	-	-	-	-	(157.39)	113.86	66.44	-	22.91
Assets derecognised or repaid (excluding write off)	-	-	-	-	-	-	-	(280.20)	-	(280.20)
Transfer to Stage 1	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-
Assets transferred through slump sale to Unity Small Finance Bank Limited	-	-	-	-	-	(409.81)	(142.49)	(118.32)	-	(670.62)
<b>ECL Allowance - closing balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Centrum Financial Services Limited

Particulars	As at March 31, 2023				As at March 31, 2022					
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - opening balance	-	-	-	-	-	169.76	43.17	746.48	-	959.41
New assets originated or purchased	-	-	-	-	-	182.82	-	-	-	182.82
Assets derecognised or repaid (excluding write off)	-	-	-	-	-	(144.25)	(9.66)	-	-	(153.91)
Transfer to Stage 1	-	-	-	-	-	10.67	(10.67)	-	-	-
Transfer to Stage 2	-	-	-	-	-	(46.55)	46.55	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	(49.29)	49.29	-	-
Amounts written off	-	-	-	-	-	(172.45)	(20.10)	(795.77)	-	(988.32)
<b>ECL Allowance - closing balance</b>	-	-	-	-	-	-	-	-	-	<b>0.02</b>

(₹ in lakhs)

Centrum Housing Finance Limited

Particulars	As at March 31, 2023				As at March 31, 2022					
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - opening balance	293.70	70.50	595.70	-	959.90	218.65	111.41	413.02	-	743.08
New assets originated or purchased	(358.77)	59.01	53.97	-	(245.79)	64.47	0.60	-	-	65.07
Assets derecognised or repaid (excluding write off)	560.09	115.83	923.19	-	1,599.11	(32.47)	(86.23)	(162.36)	-	(281.06)
Transfer to Stage 1	(175.22)	71.04	104.18	-	0.00	(4.11)	28.68	67.83	-	92.40
Transfer to Stage 2	7.80	(138.52)	130.72	-	-	46.89	13.07	130.14	-	190.10
Transfer to Stage 3	(37.82)	(5.49)	43.31	-	-	0.27	2.97	183.28	-	186.52
Amounts written off	(54.30)	(9.27)	(657.71)	-	(721.28)	-	-	(36.21)	-	(36.21)
<b>ECL Allowance - closing balance</b>	<b>235.48</b>	<b>163.10</b>	<b>1,193.36</b>	-	<b>1,591.94</b>	<b>293.70</b>	<b>70.50</b>	<b>595.70</b>	-	<b>959.90</b>

(₹ in lakhs)

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 11 : INVESTMENTS

Particulars	As at March 31, 2023				As at March 31, 2022				Total	
	At Fair Value		Sub-total	Others (at cost)	At Fair Value		Sub-total	Others (at cost)		
	Amortised Cost	Through OCI			Through profit or loss	Through OCI				Through profit or loss
(a) Equity Instruments										
-Others	-	-	1,835.67	-	-	-	1,835.67	-	770.87	770.87
(b) Debt securities										
Bonds and debentures	338.13	39,819.34	-	39,819.34	-	-	40,157.47	-	1,229.37	1,229.37
Commercial papers	42,485.18	-	-	-	-	-	42,485.18	-	-	-
Certificate of Deposits	7,417.47	-	-	-	-	-	7,417.47	-	-	-
(c) Preference shares	-	-	566.01	566.01	-	-	566.01	-	635.54	635.54
(d) Units of Mutual funds	-	-	901.76	901.76	-	-	901.76	-	3,477.86	3,477.86
(e) Government and other securities	1,05,612.77	48,131.48	3,467.63	51,599.11	-	-	1,57,211.88	-	2,37,118.32	2,38,412.18
(f) Units of private equity	-	-	1,486.82	1,486.82	-	-	1,486.82	-	1,228.69	1,228.69
<b>Total Gross (A)</b>	<b>1,55,853.55</b>	<b>87,950.82</b>	<b>8,257.90</b>	<b>96,208.72</b>	<b>-</b>	<b>-</b>	<b>2,52,062.27</b>	<b>-</b>	<b>2,38,347.69</b>	<b>2,45,754.51</b>
Investments outside India										
Investments in India	1,55,853.55	87,950.82	8,257.90	96,208.72	-	-	2,52,062.27	-	7,406.82	2,45,754.51
<b>Total Gross (B)</b>	<b>1,55,853.55</b>	<b>87,950.82</b>	<b>8,257.90</b>	<b>96,208.72</b>	<b>-</b>	<b>-</b>	<b>2,52,062.27</b>	<b>-</b>	<b>7,406.82</b>	<b>2,45,754.51</b>
Less : Impairment loss allowance (C)	24.65	198.12	126.10	324.22	-	-	348.87	-	198.12	245.63
<b>Total Net D= (A-C)</b>	<b>1,55,828.90</b>	<b>87,752.70</b>	<b>8,131.80</b>	<b>95,884.50</b>	<b>-</b>	<b>-</b>	<b>2,51,713.40</b>	<b>-</b>	<b>7,359.32</b>	<b>2,45,508.87</b>

### Notes:

Note: The Group has received dividend ₹ 8.84 lakhs (March 2022 ₹ 5.90 lakhs) from its Equity instruments, recorded as dividend income



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 11 : INVESTMENTS** (Contd..)**i) Credit quality of assets:****Unity Small Finance Bank Limited**

i) The table below shows the credit quality and the maximum exposure to credit risk based on the Company's year-end stage classification. The amounts presented are gross of impairment allowances.

(₹ in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Performing :</b>								
High grade	50,240.78	-	-	<b>50,240.78</b>	1,943.95	-	-	<b>1,943.95</b>
Standard grade	-	-	-	-	-	-	-	-
Individually impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>50,240.78</b>	<b>-</b>	<b>-</b>	<b>50,240.78</b>	<b>1,943.95</b>	<b>-</b>	<b>-</b>	<b>1,943.95</b>

**ii) Reconciliation of changes in gross carrying amount for investments in debentures:****Unity Small Finance Bank Limited**

(₹ in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - Opening balance	1,943.95	-	-	1,943.95	-	-	-	-
New assets originated or purchased	-	-	-	-	2,755.86	-	-	2,755.86
Assets derecognised or matured (excluding write off)	(1,605.82)	-	-	(1,605.82)	(811.91)	-	-	(811.91)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>338.13</b>	<b>-</b>	<b>-</b>	<b>338.13</b>	<b>1,943.95</b>	<b>-</b>	<b>-</b>	<b>1,943.95</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 11 : INVESTMENTS (Contd..)

#### Centrum Financial Services Limited

(₹ in lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - Opening balance	-	-	-	-	3,544.64	-	-	3,544.64
New assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or matured (excluding write off)	-	-	-	-	280.86	-	-	280.86
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Assets derecognised on account of BTA transfer	-	-	-	-	(3,825.50)	-	-	(3,825.50)
Amounts written off	-	-	-	-	-	-	-	-
<b>Closing balance</b>	-	-	-	-	-	-	-	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Reconciliation of ECL balance is given below:**

UNITY Small Finance Bank Limited

Particulars	As at March 31, 2023				As at March 31, 2022				
	Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI	
	Total	Total	Total	Total	Total	Total	Total	Total	
ECL Allowance - Opening balance	20.08	-	-	198.12	-	-	-	-	-
New assets originated or purchased	9.73	-	-	-	20.08	-	-	198.12	218.20
Assets derecognised or repaid (excluding write off)	(5.16)	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-	-
Impact on year end ECL of Exposures transferred between Stages during the year and reversal of ECL on account of recovery	-	-	-	-	-	-	-	-	-
Unwinding of discount	-	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modification not resulting into derecognition	-	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL Calculation	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-
<b>ECL allowance - Closing balance</b>	<b>24.65</b>	<b>-</b>	<b>-</b>	<b>198.12</b>	<b>20.08</b>	<b>-</b>	<b>-</b>	<b>198.12</b>	<b>218.20</b>

(₹ in lakhs)

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Centrum Financial Services Limited

(₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022				
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - Opening balance	-	-	-	19.40	-	-	-	19.40
New Assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or repaid (excluding write off)	-	-	-	(1.98)	-	-	-	(1.98)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on year end ECL of Exposures transferred between Stages during the year and reversal of ECL on account of recovery	-	-	-	-	-	-	-	-
Unwinding of discount	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modification not resulting into derecognition	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculation	-	-	-	-	-	-	-	-
Assets derecognised on account of BTA transfer	-	-	-	(17.42)	-	-	-	(17.42)
Amounts written off	-	-	-	-	-	-	-	-
<b>ECL allowance - Closing balance</b>	-	-	-	-	-	-	-	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 12 : OTHER FINANCIAL ASSETS

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Security deposits	3,687.41	2,503.51
Advance for purchase of shares pending transfer	100.00	100.00
Margin balances with broker	653.36	112.28
Deposits placed with exchange / depositories	5.50	11.52
Interest accrued but not due	8.21	502.30
Receivable -direct assignment	208.90	339.00
Contract assets	1,333.84	1,337.51
Other financial assets*	208.91	487.28
Less: Impairment loss allowance	185.12	441.45
<b>TOTAL</b>	<b>6,021.02</b>	<b>4,951.95</b>

\* During the year , Centrum Wealth Limited ('CWL'), a subsidiary of the Company has written off Other financial assets ₹ 320 lakhs paid according to the del credere arrangement entered by the CWL as per MOU dated July 01. 2019,

### Note 13 : CURRENT TAX ASSETS (NET)

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Advance Income Tax	2,044.81	3,428.58
[Net of provision for tax ₹ 12,113.31 lakhs (Previous year ₹ 20,735.38 lakhs)]		
<b>TOTAL</b>	<b>2,044.81</b>	<b>3,428.58</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 14 : PROPERTY, PLANT AND EQUIPMENT

Particulars	(₹ in lakhs)								
	Leasehold improvement	Building*	Furniture and fixtures	Vehicles	Office equipment	Computers hardware	Electric installation & equipment	Air conditioners	Total
<b>Gross block- at cost</b>									
<b>As at April 01, 2021</b>	537.11	4,481.13	448.44	1,006.45	460.23	567.41	3.22	11.95	7,515.94
Additions during the year	97.51	24,431.50	1,188.33	195.87	771.30	170.71	-	0.83	26,856.05
Disposals/adjustments/deductions	(219.27)	-	(77.85)	(37.92)	(3.77)	(24.63)	(1.68)	-	(365.12)
<b>As at March 31, 2022</b>	<b>415.35</b>	<b>28,912.63</b>	<b>1,558.92</b>	<b>1,164.40</b>	<b>1,227.76</b>	<b>713.49</b>	<b>1.54</b>	<b>12.78</b>	<b>34,006.87</b>
Additions during the year	59.00	1,105.40	368.71	247.25	345.06	1,039.48	0.02	-	3,164.91
Disposals/adjustments/deductions	(23.07)	-	(0.18)	(29.98)	(3.45)	(15.87)	(1.52)	-	(74.05)
<b>As at March 31, 2023</b>	<b>451.28</b>	<b>30,018.03</b>	<b>1,927.45</b>	<b>1,381.66</b>	<b>1,569.38</b>	<b>1,737.10</b>	<b>0.04</b>	<b>12.78</b>	<b>37,097.72</b>
<b>Accumulated Depreciation</b>									
<b>As at April 01, 2021</b>	300.56	128.64	174.08	359.74	297.75	436.81	2.08	5.31	1,704.95
Additions during the year	54.64	210.18	61.14	141.25	238.34	103.43	0.30	0.35	809.63
Disposals/adjustments/deductions	(25.46)	-	(45.07)	(23.20)	(3.44)	(15.24)	(1.50)	-	(113.91)
<b>As at March 31, 2022</b>	<b>329.74</b>	<b>338.82</b>	<b>190.15</b>	<b>477.79</b>	<b>532.65</b>	<b>525.00</b>	<b>0.89</b>	<b>5.66</b>	<b>2,400.67</b>
Additions during the year	24.37	618.41	393.80	168.53	345.61	213.56	0.15	0.33	1,764.76
Disposals/adjustments/deductions	(17.36)	-	60.27	(8.78)	56.21	76.54	(1.04)	-	165.86
<b>As at March 31, 2023</b>	<b>336.75</b>	<b>957.22</b>	<b>644.23</b>	<b>637.54</b>	<b>934.47</b>	<b>815.10</b>	<b>0.01</b>	<b>6.00</b>	<b>4,331.29</b>
<b>Net block</b>	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>85.61</b>	<b>28,573.81</b>	<b>1,368.77</b>	<b>686.60</b>	<b>695.11</b>	<b>188.49</b>	<b>0.65</b>	<b>7.12</b>	<b>31,606.14</b>
<b>As at March 31, 2023</b>	<b>114.53</b>	<b>29,060.80</b>	<b>1,283.23</b>	<b>744.12</b>	<b>634.91</b>	<b>922.00</b>	<b>0.03</b>	<b>6.77</b>	<b>32,766.37</b>

(\*This relates to property owned by the Company and title deed is clear and is in name of the Company. The Company has not revalued any of its property, plant and equipment during the year.)

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 15 : RIGHT-OF-USE ASSETS

Particulars	(₹ in lakhs)		
	Vehicles	Office Premises	Total
<b>Gross block- at cost</b>			
<b>As at April 01, 2021</b>	<b>31.25</b>	<b>4,115.50</b>	<b>4,146.75</b>
Additions during the year	-	2,578.96	2,578.96
Disposals/adjustments/deductions	(0.95)	(79.92)	(80.87)
<b>As at March 31, 2022</b>	<b>30.30</b>	<b>6,614.54</b>	<b>6,644.83</b>
Additions during the year	305.27	10,131.26	10,436.53
Disposals/adjustments/deductions	-	(91.63)	(91.63)
<b>As at March 31, 2023</b>	<b>335.57</b>	<b>16,654.16</b>	<b>16,989.72</b>
<b>Accumulated Depreciation</b>			
<b>As at April 01, 2021</b>	<b>27.52</b>	<b>2,487.68</b>	<b>2,515.20</b>
Additions during the year	3.07	1,123.58	1,126.65
Disposals/adjustments/deductions	(0.29)	(15.87)	(16.16)
<b>As at March 31, 2022</b>	<b>30.30</b>	<b>3,595.39</b>	<b>3,625.68</b>
Additions during the year	51.73	1,666.48	1,718.20
Disposals/adjustments/deductions	-	(54.09)	(54.09)
<b>As at March 31, 2023</b>	<b>82.03</b>	<b>5,207.77</b>	<b>5,289.80</b>
<b>Net block</b>			
<b>As at March 31, 2022</b>	<b>-</b>	<b>3,019.15</b>	<b>3,019.14</b>
<b>As at March 31, 2023</b>	<b>253.55</b>	<b>11,446.39</b>	<b>11,699.92</b>

## Note 16 : CAPITAL WORK-IN-PROGRESS

Particulars	(₹ in lakhs)
	Total
<b>Gross block- at cost</b>	
<b>As at April 01, 2021</b>	<b>7.94</b>
Additions during the year	21.43
Disposals/adjustments/deductions	(7.94)
<b>As at March 31, 2022</b>	<b>21.43</b>
Additions during the year	316.38
Disposals/adjustments/deductions	-
<b>As at March 31, 2023</b>	<b>337.81</b>

### 16.1 Details of Capital work-in-progress (CWIP)

#### CWIP aging schedule as at March 31, 2023

CWIP	(₹ in lakhs)				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	25.11	312.70	-	-	337.81
ii) Projects temporarily suspended	-	-	-	-	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 16 : CAPITAL WORK-IN-PROGRESS (Contd..)

CWIP aging schedule as at March 31, 2022

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	21.43	-	-	-	21.43
ii) Projects temporarily suspended	-	-	-	-	-

i) Whose completion is overdue

ii) Has exceeded its cost compared to its original plan, following CWIP completion schedule

### Note 17 : OTHER INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Trademark	Computer Software	Total	Intangible assets under development	Total
<b>Gross block- at cost</b>					
<b>As at April 01, 2021</b>	-	1,209.13	1,209.13	-	-
Additions during the year	5.46	697.45	702.91	-	-
Disposals/adjustments/deductions	-	(302.65)	(302.65)	-	-
<b>As at March 31, 2022</b>	<b>5.46</b>	<b>1,603.93</b>	<b>1,609.39</b>	-	-
Additions during the year	600.92	174.18	775.10	252.20	252.20
Disposals/adjustments/deductions	-	(95.90)	(95.90)	(44.95)	(44.95)
<b>As at March 31, 2023</b>	<b>606.38</b>	<b>1,682.21</b>	<b>2,288.59</b>	<b>207.25</b>	<b>207.25</b>
<b>Accumulated Amortization</b>					
<b>As at April 01, 2021</b>	-	427.58	427.58	-	-
Additions during the year	-	210.53	210.53	-	-
Disposals/adjustments/deductions	-	(156.00)	(156.00)	-	-
<b>As at March 31, 2022</b>	-	<b>482.11</b>	<b>482.11</b>	-	-
Additions during the year	-	312.06	312.06	-	-
Disposals/adjustments/deductions	-	89.97	89.97	-	-
<b>As at March 31, 2023</b>	-	<b>884.15</b>	<b>884.15</b>	-	-
<b>Net block</b>					
<b>As at March 31, 2022</b>	<b>5.46</b>	<b>1,121.82</b>	<b>1,127.28</b>	-	-
<b>As at March 31, 2023</b>	<b>606.38</b>	<b>798.06</b>	<b>1,404.44</b>	<b>207.25</b>	<b>207.25</b>



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 17 : OTHER INTANGIBLE ASSETS** (Contd..)**17.1 Details of Intangible assets under development****Intangible assets under development aging schedule as at March 31, 2023**

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	125.25	82.00	-	-	207.25
ii) Projects temporarily suspended	-	-	-	-	-

**Intangible assets under development aging schedule as at March 31, 2022**

(₹ In lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	-	-	-	-	-
ii) Projects temporarily suspended	-	-	-	-	-

i) Whose completion is overdue

ii) Has exceeded its cost compared to its original plan, following CWIP completion schedule

**Note 18 : OTHER NON-FINANCIAL ASSETS**

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	4,850.93	1,378.85
Balances with revenue authorities	2,297.88	1,423.84
Advance for expenses	2,144.67	375.86
Capital advance	3,077.99	-
Unamortised expenses : Loan acquisition cost	62.48	128.91
Tax assets receivable	4,500.43	5,202.05
Other assets	847.99	1,299.48
<b>TOTAL</b>	<b>17,782.36</b>	<b>9,808.99</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 19: ASSETS HELD-FOR-SALE

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Assets held for sale*	896.44	353.89
Less: Impairment loss allowance (unrealized)	44.82	35.39
<b>TOTAL</b>	<b>851.62</b>	<b>318.50</b>

\* To mitigate the credit risk on financial assets, Centrum Housing Finance Limited (CHFL) seeks to use collateral, where possible as per the powers conferred on the HFC under SARFAESI act. In its normal course of business, the CHFL 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) principal outstanding, whichever is less, at the repossession date.

## Note 20 : DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Embedded derivatives market-linked debentures	38,209.58	33,155.20
<b>TOTAL</b>	<b>38,209.58</b>	<b>33,155.20</b>

Note : The Group enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Group 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.

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	(₹ in lakhs)			
	As at March 31, 2023		As at March 31, 2022	
	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Liabilities
Embedded derivatives- market linked- debentures	Not applicable	38,209.58	Not applicable	33,155.20
<b>Total</b>	<b>-</b>	<b>38,209.58</b>	<b>-</b>	<b>33,155.20</b>

### Hedging activities and derivatives :

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Group's risk management strategy and how it is applied to manage risk are explained in Note 59.

### Derivatives designated as hedging instruments

The Group has not designated any derivatives as hedging instruments

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 21 : PAYABLES

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Trade Payables</b>		
(i) Total outstanding dues of micro and small enterprises.	0.02	-
(ii) Total outstanding dues of creditors other than micro and small enterprises.	14,749.01	11,298.36
<b>Other Payables</b>		
(i) Total outstanding dues of micro and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	4,680.50	6,740.50
<b>TOTAL</b>	<b>19,429.54</b>	<b>18,038.86</b>

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 Group. For disclosure pertaining to Micro and Small Enterprises refer Note 54)

### Trade Payable outstanding for following periods from due date of payment

Particulars	(₹ in lakhs)					
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
<b>March 31, 2023</b>						
Undisputed MSME	-	0.02	-	-	-	0.02
Undisputed others	68.29	14,076.40	387.11	96.41	120.80	14,749.01
Unbilled dues	-	-	-	-	-	-
<b>Total</b>	<b>68.29</b>	<b>14,076.42</b>	<b>387.11</b>	<b>-</b>	<b>120.80</b>	<b>14,749.03</b>
<b>March 31, 2022</b>						
Undisputed MSME	41.68	11,214.83	1.20	-	5.40	11,263.11
Undisputed others	-	33.88	1.37	-	-	35.25
Unbilled dues	-	-	-	-	-	-
<b>Total</b>	<b>41.68</b>	<b>11,248.71</b>	<b>2.57</b>	<b>-</b>	<b>5.40</b>	<b>11,298.36</b>

### Other payables outstanding for following periods from due date of Payment

Particulars	(₹ in lakhs)					
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
<b>March 31, 2023</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	-	-	4,680.50	-	-	4,680.50
Unbilled dues	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4,680.50</b>	<b>-</b>	<b>-</b>	<b>4,680.50</b>
<b>March 31, 2022</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	-	6,740.50	-	-	-	6,740.50
Unbilled dues	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>6,740.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,740.50</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 21 : PAYABLES (Contd..)

Trade Payables includes ₹ 0.02 Lakh (Previous Year Nil) payable to “Suppliers” registered under the Micro, Small and Medium Enterprises Development Act, 2006. Interest paid by the Group during the year to “Suppliers” registered under this Act is Nil (Previous Year Nil). The aforementioned is based on the responses received by the Group to its inquiries with suppliers with regard to applicability under the said Act.

## Note 22 : DEBT SECURITIES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>At amortised costs</b>		
<b>Redeemable non-convertible market-linked debentures (Secured)</b>		
(i) Privately Placed (Unlisted) (refer Note 22.1)	74,206.53	50,430.93
(ii) Privately Placed (Listed) (refer Note 22.1)	339.14	47,804.65
Non-convertible debentures (Secured) (Unlisted) (refer Note 22.2)	9,220.42	12,355.83
Non-convertible debentures (Secured)(Listed) (refer Note 22.3)	4,500.00	10,125.00
Non-convertible debentures (Unsecured) (refer Note 22.4)	5,008.20	6,008.20
Preferential Share Capital (refer Note 22.5)	15,603.73	15,606.12
<b>TOTAL (A)</b>	<b>1,08,878.02</b>	<b>1,42,330.73</b>
Debt securities in India	1,08,878.02	1,42,330.73
Debt securities outside India	-	-
<b>TOTAL (B)</b>	<b>1,08,878.02</b>	<b>1,42,330.73</b>

Note : There is no debt security measured at FVTPL or designated FVTPL

The Group has raised an amount of ₹ 43,736 lakhs (Previous year ₹ 51,440 lakhs) in multiple tranches through private placement by way of issue of Principal Protected Secured, Redeemable, Non-convertible Market Linked Debentures bearing a face value of ₹ 1,00,000 each are fully secured by a first pari-passu charge over specified assets. The Asset Cover as at March 31, 2023 exceeds hundred percent of the principal amount.

### 22.1 Redeemable non-convertible market linked debentures (Secured)

#### (i) Privately placed unlisted redeemable non-convertible debentures of ₹1,00,000 each

##### Terms of repayment

(₹ in lakhs)

Redeemable at par/premium (from date of the Balance Sheet) *	As at March 31, 2023	As at March 31, 2022
Maturing between 48 to 60 months	-	-
Maturing between 36 to 48 months	10,010.49	9,217.32
Maturing between 24 to 36 months	24,100.79	22,707.82
Maturing between 12 to 24 months	27,457.09	13,142.32
Maturing within 12 months	12,638.16	5,363.47
<b>Total</b>	<b>74,206.53</b>	<b>50,430.93</b>

\*Secured by first pari passu floating charge created on present and future business receivables and investments of Centrum Retail Services Limited upto 100% of the value of debenture as set out in the Debenture Trust Deed and also Secured by pari passu charge on 19,649,542 Number of equity shares of Centrum Retail Services Limited (a subsidiary of the Company) held by Centrum Capital Limited

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 22 : DEBT SECURITIES (Contd..)

### (ii) Privately placed listed redeemable non-convertible debentures of ₹ 1,00,000 each

Redeemable at par/premium (from date of the Balance Sheet)*	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Maturing between 48 to 60 months	-	-
Maturing between 36 to 48 months	-	-
Maturing between 24 to 36 months	-	-
Maturing between 12 to 24 months	-	7,990.25
Maturing within 12 months	339.14	39,814.40
<b>Total</b>	<b>339.14</b>	<b>47,804.65</b>

\* 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.

- i) Secured by i) Pari passu mortgage to be created over leasehold rights (to the extent of 210 sq. ft. of total sq. ft. of leasehold rights) in relation to leasehold property of Centrum Financial Services Limited (subsidiary company) located at Shop No.4, Rajalakshmi Nagar Layout, Mappedu-Mellnallathur Road, Erayarnangalam Village, Thiruvallur District, Pin code-631, and (ii) 76,99,542 Number of equity shares of Centrum Retail Services Limited (a subsidiary of the Company) held by Centrum Capital Limited.
- ii) Secured by first pari passu charge over present and future receivables with minimum security cover of 100% of the issued amount and identified immovable property of Unity Small Finance Bank Limited.

## 22.2 Non-convertible debentures (Secured-Unlisted)

### Terms of repayment

Redeemable at par/premium (from date of the Balance Sheet)	Interest rate range	Repayments details	Amount ₹ in lakhs	
			As at March 31, 2023	As at March 31, 2022
Maturing between 48 to 60 months	-	-	-	-
Maturing between 36 to 48 months	11.80%-12.50%	Bullet	5,090.00	-
Maturing between 24 to 36 months	12.30%	Bullet	4,100.90	-
Maturing between 12 to 24 months	-	-	-	4,100.90
Maturing within 12 months	-	-	-	8,100.00
<b>Sub-total</b>			<b>9,190.90</b>	<b>12,200.90</b>
Less: Effective interest rate adjustment			(67.68)	(237.30)
Add: Interest accrued but not due on non convertible debenture			97.20	392.23
<b>Total</b>			<b>9,220.42</b>	<b>12,355.83</b>

### Note :

The facility is secured by first pari-passu floating charge created on present and future business receivables upto 100% of the value of debentures of Centrum Retail Services Limited and Unity Small Finance Bank Limited.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 22 : DEBT SECURITIES (Contd..)

### 22.3 Non-convertible debentures (Secured-Listed)

#### Terms of repayment

Redeemable at par/premium (from date of the Balance Sheet)	Interest rate range	Repayments details	Amount ₹ in lakhs	
			As at March 31, 2023	As at March 31, 2022
Maturing between 48 to 60 months	-	-	-	-
Maturing between 36 to 48 months	-	-	-	-
Maturing between 24 to 36 months	-	-	-	-
Maturing between 12 to 24 months	9.90%-10.00%	Bullet Repayment	3,500.00	3,500.00
Maturing within 12 months	10.00%-13.95%	Quarterly & Bullet Repayment	1,000.00	6,625.00
<b>Sub-total</b>			<b>4,500.00</b>	<b>10,125.00</b>
Less: Effective interest rate adjustment			-	-
Add : Interest accrued but not due on non-convertible debenture			-	-
<b>Total</b>			<b>4,500.00</b>	<b>10,125.00</b>

#### Nature of Security :

The facility is secured on a first ranking exclusive and continuing charge over certain identified receivables of Centrum Housing Finance Limited and of Unity Small Finance Bank Limited

### 22.4 Non-convertible debentures (Unsecured)

#### Terms of repayment

Redeemable at par/premium (from date of the Balance Sheet)	Interest rate range	Repayments details	Amount ₹ in lakhs	
			As at March 31, 2023	As at March 31, 2022
Maturing more than 60 months	9.50%	Bullet	5,000.00	5,000.00
Maturing between 48 to 60 months	-	-	-	-
Maturing between 36 to 48 months	17.00%	Bullet	-	1,000.00
Maturing between 24 to 36 months	-	-	-	-
Maturing between 12 to 24 months	-	-	-	-
Maturing within 12 months	12.00%	Annually	-	-
<b>Sub-total</b>			<b>5,000.00</b>	<b>6,000.00</b>
Less: Effective interest rate adjustment			-	-
Add : Interest accrued but not due on non-convertible debenture			8.20	8.20
<b>Total</b>			<b>5,008.20</b>	<b>6,008.20</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 22 : DEBT SECURITIES

### 22.5 Preferential Share Capital

Tenure from Balance Sheet date	Interest rate range	Repayments details	Amount ₹ in lakhs	
			As at March 31, 2023	As at March 31, 2022
As per scheme details as per below	1% Dividend payable per annum on January 25 <sup>th</sup> every year		15,603.73	15,606.12
<b>Total</b>			<b>15,603.73</b>	<b>15,606.12</b>

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. Terms of repayment of Perpetual Non Cumulative Preference Shares briefed in Clause 6 Discharge of Liability of transferor bank extracted for reference

On and from the appointed date, 80 per cent. of the uninsured deposits outstanding (aggregate in various accounts) to the credit of each institutional depositor of the transferor bank shall be converted into Perpetual Non-Cumulative Preference Shares of transferee bank with dividend of one per cent per annum payable annually

At the end of the 10<sup>th</sup> year from the appointed date, transferee 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 21<sup>st</sup> year, transferee bank will buy-back the outstanding principal of the Perpetual Non-Cumulative Preference Shares, at the rate of at least 1 per cent. 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 transferor bank including those towards Deposit Insurance and Credit Guarantee Corporation under the Scheme are fully discharged;
- ii. capital adequacy ratio of the transferee 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
- iii. net non-performing assets of transferee 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 transferee bank for the previous year.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 23 : BORROWINGS (OTHER THAN DEBT SECURITIES)

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>At amortised cost</b>		
<b>a) Term loan</b>		
(i) Secured		
- from banks (refer note 23(a)(i))	59,139.61	59,746.41
- from others (refer note 23(a)(ii))	17,013.62	15,709.53
(ii) Unsecured		
- from others (refer note 23(a)(iii))	75.00	-
<b>b) Loan repayable on demand</b>		
(i) Secured		
- from banks (refer note 23(b)(i))	3,823.30	300.00
- from banks - secured Interbank participatory Notes (refer note 23(b)(ii))	36,974.15	-
<b>c) Short term call and money market (refer note 23 ('c'))</b>	25,501.45	-
<b>d) Loan from related parties</b>		
Unsecured (refer Notes 44.2 and 23 ('d'))	25.00	25.00
<b>e) Other Loans and advances</b>		
Unsecured		
- Inter-corporate deposits (ICD'S) other than related parties (refer note 23('e'))	1,790.08	5,860.06
<b>f) Lease liabilities (refer Note 53 )</b>	12,104.69	3,600.10
<b>Total (A)</b>	<b>1,56,446.90</b>	<b>85,241.08</b>
Borrowings in India	1,56,446.90	85,241.08
Borrowings outside India	-	-
<b>Total (B)</b>	<b>1,56,446.90</b>	<b>85,241.08</b>

Note : There is no borrowings measured at FVTPL or designated at FVTPL

The borrowings have not been guaranteed by directors or others and also the Group has not defaulted in repayment of principal and interest



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 23 : BORROWINGS (OTHER THAN DEBT SECURITIES)** (Contd..)**a) Details of Term loans:****(i) Terms of repayment in installments from banks (secured)**

(₹ in lakhs)					
Tenure from Balance Sheet date	Interest Rate range	Repayments details	As at March 31, 2023	Repayments details	As at March 31, 2022
Above 60 months	8.00% to 10.70%	Monthly	-	Monthly	954.66
Above 60 months	2.75% to 9.00%	Quarterly	2,679.95	Quarterly	487.64
Above 60 months	6.90 % to 10%	Monthly	821.53	Monthly	-
Above 60 months	8.00% to 11.50%	Monthly and quarterly	2,656.08	Monthly and quarterly	-
Maturing between 48 to 60 months		-	-	As per PMC amalgamation scheme	14,912.93
Maturing between 48 to 60 months	6.90 % to 10%	Monthly	131.44	Monthly	-
Maturing between 48 to 60 months	2.75% to 9.00%	Quarterly	1,351.05	-	-
Maturing between 48 to 60 months	3.00% to 7.00%	Quarterly	-	Quarterly	510.80
Maturing between 48 to 60 months	8.00% to 11.50%	Monthly and quarterly	5,066.30	Monthly and quarterly	1,274.06
Maturing between 36 to 48 months	8.00% to 11.50%	Monthly and quarterly	7,585.21	Monthly and quarterly	1,237.06
Maturing between 36 to 48 months	2.75% to 9.00%	Quarterly	1,554.38	Quarterly	510.80
Maturing between 36 to 48 months	6.90 % to 10%	Monthly	134.09	-	-
Maturing between 36 to 48 months	10.90%	Annual installment	-	Annual installment	750.00
Maturing between 24 to 36 months	6.90 % to 10%	Monthly	144.22	-	-
Maturing between 24 to 36 months	8.00% to 11.50%	Monthly and quarterly	7,585.72	Monthly and quarterly	2,487.77
Maturing between 24 to 36 months	9.00% to 10.90%	Monthly	-	Monthly	2,679.55
Maturing between 24 to 36 months	2.75% to 9.00%	Quarterly	1,633.84	-	-
Maturing between 24 to 36 months	3.00% to 7.00%	Quarterly	-	Quarterly	920.80
Maturing between 12 to 24 months	8.00% to 11.50%	Monthly and quarterly	8,929.89	Monthly and quarterly	4,918.03
Maturing between 12 to 24 months	2.75% to 9.00%	Quarterly	2,043.84	-	-
Maturing between 12 to 24 months	9.00% to 12.75%	Monthly and quarterly	1,935.98	Monthly and quarterly	7,347.71

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 23 : BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd..)

(₹ in lakhs)					
Tenure from Balance Sheet date	Interest Rate range	Repayments details	As at March 31, 2023	Repayments details	As at March 31, 2022
Maturing between 12 to 24 months	3.00% to 7.00%	Quarterly	-	Quarterly	934.80
Maturing between 12 to 24 months	6.90 % to 10%	Monthly	-	Monthly	9.04
Maturing upto within 12 months	8.00% to 10.00%	Monthly and quarterly	129.81	Monthly and quarterly	6,977.46
Maturing upto within 12 months	8.00% to 11.50%	Monthly	11,345.62	-	-
Maturing upto within 12 months	9.00% to 12.75%	Monthly and quarterly	1,458.33	Monthly and quarterly	11,678.95
Maturing upto within 12 months	6.90 % to 10%	Monthly	126.33	Monthly	45.66
Maturing upto within 12 months	2.75% to 9.00%	Monthly and quarterly	2,057.93	Monthly	1,434.80
<b>Sub-total</b>			<b>59,371.54</b>		<b>60,072.52</b>
Add: Effective interest rate amortisation			(197.95)		(62.20)
Less: Effective interest rate adjustment			(33.98)		(263.91)
<b>Total</b>			<b>59,139.61</b>		<b>59,746.41</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 23 : BORROWINGS (OTHER THAN DEBT SECURITIES)** (Contd..)

## (ii) Terms of repayment in installments from others (secured)

Tenure from Balance Sheet date	Interest Rate range	Repayments details	(₹ in lakhs)	Repayments details	(₹ in lakhs)
			As at March 31, 2023		As at March 31, 2022
Above 60 months	8.75% to 14.95%	Monthly	2,129.16	-	-
Maturing between 48 to 60 months	8.75% to 14.95%	Monthly	2,307.21	-	-
Maturing between 36 to 48 months	8.75% to 14.95%	Monthly & Annually	2,255.78	Monthly	4.86
Maturing between 24 to 36 months	8.75% to 14.95%	Monthly and Quarterly	2,053.28	Quarterly	500.00
Maturing between 24 to 36 months	9.75% to 10.75%	Monthly Installment	4.86	Bullet and monthly	8.97
Maturing between 12 to 24 months	8.75% to 14.95%	Monthly	4,101.94	Monthly	4,046.84
Maturing between 12 to 24 months	9.75% to 10.75%	Monthly Installment	8.97	-	-
Maturing between 12 to 24 months	7.67 % to 10.43%	Monthly	0.80	Monthly	0.79
Maturing upto within 12 months	8.75% to 14.95%	Monthly	4,164.87	Monthly	11,165.82
Maturing upto within 12 months	9.75% to 10.75%	Monthly	8.06	Monthly	4.50
<b>Sub-total</b>			<b>17,034.93</b>		<b>15,731.78</b>
Add: Effective interest rate amortisation			(43.71)		(22.25)
Add: Effective interest rate adjustment			22.41		-
<b>Total</b>			<b>17,013.63</b>		<b>15,709.53</b>

**Nature of security of term loans from bank and others**

Secured against investments and moveable assets and charge of Office property at Centrum House, on specific receivables of financing business inventories and corporate guarantee. The facility is secured on a first and exclusive charge basis by way of hypothecation over the portfolio loans in such a way that the security cover is met. Further, the Group has provided additional security by way of cash collateral and corporate guarantee in certain cases.

## (iii) Terms of repayment in installments from others (unsecured)

Tenure from Balance Sheet date	Interest Rate range	Repayments details	(₹ in lakhs)	Repayments details	(₹ in lakhs)
			As at March 31, 2023		As at March 31, 2022
Maturing between 12 to 24 months	9.00% to 11.99%	Monthly	75.00	-	-
<b>Total</b>			<b>75.00</b>		<b>-</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 23 : BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd..)

#### b) Loan repayable on demand :

##### i) Loan repayable on demand from Banks (secured)

Particulars	Interest rate range		Repayments details	Amount ₹ in lakhs	
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022
Bank Overdraft/Cash Credit	7 % to 11.15%	8 % to 11%	Repayable on demand	3,823.30	300.00
<b>Total</b>				<b>3,823.30</b>	<b>300.00</b>

##### ii) Interbank participatory Notes (secured)

Tenure from Balance Sheet date	Interest rate range		Repayments details	Amount ₹ in lakhs	
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022
Upto 12 Months	6.50% to 7%	-	On Maturity	36,974.15	-
<b>Total</b>				<b>36,974.15</b>	<b>-</b>

#### Nature of security of loans repayable on demand from banks and others :

Secured against term deposits, Investment property and hypothecation of specific assets covered under hypothecation loan agreements

#### c) Short term call and money market

Tenure from Balance Sheet date	Interest rate range		Repayments details	Amount ₹ in lakhs	
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022
Upto 12 Months	6.80% to 7%	-	On Maturity	25,501.45	-
<b>Total</b>				<b>25,501.45</b>	<b>-</b>

#### d) Loan from related parties (unsecured):

Particulars	Interest rate range		Repayments details	Amount ₹ in lakhs	
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022
Unsecured loan from related parties	Nil	Nil	Repayable on demand	25.00	25.00
<b>Total</b>				<b>25.00</b>	<b>25.00</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 23 : BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd..)

#### e) Other Loans and advances (unsecured) :

(₹ in lakhs)					
Tenure from Balance Sheet date	Interest Rate range	Repayments details	As at March 31, 2023	Repayments details	As at March 31, 2022
Maturing between 48 to 60 months			315.08		315.08
Maturing between 36 to 48 months	"For March 31, 2023 9% to 13% For March 31, 2022 10% to 13%"	These are repayable on maturity as per terms	-	These are repayable on maturity as per terms	-
Maturing between 24 to 36 months			-		-
Maturing between 12 to 24 months			-		-
Maturing within 12 months			1,475.00		5,804.92
<b>Total</b>			<b>1,790.08</b>		<b>6,120.00</b>

### Note 24 : DEPOSITS

(₹ in lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
Deposits accepted by bank		
Savings accounts deposits	79,815.08	3,44,164.92
Current accounts deposits	8,568.37	35,000.66
Term deposits	1,74,774.76	4,625.37
<b>Total</b>	<b>2,63,158.21</b>	<b>3,83,790.95</b>
Deposits of branches in India	2,63,158.21	3,83,790.95
Deposits of branches outside India	-	-
<b>Total</b>	<b>2,63,158.21</b>	<b>3,83,790.95</b>

The deposits have not been guaranteed by directors or others

There has been no default in repayment of deposits and interest thereon

The deposit rates of the Bank as on March 31, 2023 are as follows :

- Savings deposits Interest Rates: 6% to 8%
- Term deposits Interest Rates: 4.5% to 10%

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 25: OTHER FINANCIAL LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued on borrowings (other than debt instruments)	504.58	349.95
Interest accrued on debt instruments	17,548.25	8,821.78
Unpaid dividend *	4.26	4.26
Other Payables		
Expenses	2,351.84	4,241.28
Book overdraft from banks	5,128.13	2,209.37
Deposits from sub-brokers	7.36	8.16
Payable to depositors of erstwhile PMC Bank upto 5 years [refer Note 61(A)(h)(i)]	1,23,315.12	1,47,589.51
Tier II Bond- Payable to Depositors of erstwhile PMC Bank on or after 10 years [refer Note 61(A)(h)(ii)]	1,02,609.68	93,638.07
Payable to DICGC [refer Note 61(A)(h)(iii)]	65,864.25	59,040.64
Liability towards devolved LC / invoke BG	26,341.41	28,239.80
NHB Refinance - Restructured	10,420.00	-
Payable to assignee	48.93	498.16
Other financial liabilities	6,470.07	11,474.67
<b>TOTAL</b>	<b>3,60,613.88</b>	<b>3,56,115.64</b>

\*There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Act as at the year end.

## Note 26: PROVISIONS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Gratuity (refer Note 46)	1,685.64	1,462.27
Compensated absences	930.89	762.83
Others	1,820.42	1,206.01
Provision for contingencies	20,374.15	20,339.50
Other provisions	5,424.61	5,458.04
<b>TOTAL</b>	<b>30,235.72</b>	<b>29,228.65</b>

## Note 27: OTHER NON-FINANCIAL LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	2,328.20	1,642.47
Advance from customers	4,102.46	509.49
Advance received against sale of shares	473.15	-
Provision for Bonus and other payables to employees	1,867.56	-
Unearned discounting charges	474.26	453.66
Others	224.79	59.13
<b>TOTAL</b>	<b>9,470.42</b>	<b>2,664.75</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 28 : EQUITY SHARE CAPITAL

### 28.1 Details of Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
<b>Authorised shares</b>				
Equity shares of ₹ 1 each	1,65,01,00,000	16,501.00	1,65,01,00,000	16,501.00
<b>Issued, subscribed and fully paid-up shares</b>				
Equity shares of ₹ 1 each fully paid up	41,60,32,740	4,160.33	41,60,32,740	4,160.33
<b>Total Equity</b>	<b>41,60,32,740</b>	<b>4,160.33</b>	<b>41,60,32,740</b>	<b>4,160.33</b>

### 28.2 Terms and rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹ 1/- 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.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

### 28.3 Reconciliation of the number of Equity shares and of Equity share capital amount outstanding at the beginning and at the end of the year:

Particulars	Number of shares	₹ in lakhs
<b>As at April 01, 2021</b>	41,60,32,740	4,160.33
Issued during the year	-	-
<b>As at March 31, 2022</b>	41,60,32,740	4,160.33
Issued during the year	-	-
<b>As at March 31, 2023</b>	<b>41,60,32,740</b>	<b>4,160.33</b>

### 28.4 Details of Equity shareholders holding more than 5% of the aggregate shares in the Company

Equity shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	% holding	Number of Shares	% holding
Businessmatch Services (India) Private Limited	13,43,99,041	32.30	13,43,99,041	32.30
JBCG Advisory Services Private Limited	2,54,98,837	6.13	2,33,38,537	5.61
Kaikobad Byramjee & Son Agency Private Limited	5,40,18,000	12.98	5,40,18,000	12.98

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 28 : EQUITY SHARE CAPITAL (Contd..)

### 28.5 Details of Promoter's shareholding

Promoter's name	As at March 31, 2023			As at March 31, 2022		
	Number of Shares	% holding	% of change during the year	Number of Shares	% holding	% of change during the year
Businessmatch Services (India) Private Limited	13,43,99,041	32.30	0%	13,43,99,041	32.30	0%
JBCG Advisory Services Private Limited	2,54,98,837	6.13	9.26%	2,33,38,537	5.61	0%
BG Advisory Services LLP	18,000	0.00	(98.23%)	10,18,000	0.24	0%

### 28.6 Shares reserved for issue under Employee Stock Option Plan

Information relating to the Centrum Capital Limited Employee Stock Option Plan (ESOP), including details regarding options issued, exercised and lapsed during the year and options outstanding at the end of the reporting period is set out in Note 43.

## Note 29 : OTHER EQUITY

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Capital reserve	0.00	0.00
Securities premium	41,308.39	41,308.39
Debenture redemption reserve	5,888.66	4,052.85
Amalgamation reserve	20,837.44	15,103.33
Share option outstanding account	1,576.25	1,006.47
Treasury shares	(2,223.04)	(2,310.54)
ESOP Trust reserve	2,367.52	2,365.00
General reserve	6,526.64	6,158.55
Statutory reserve under Section 45-IC	257.77	255.87
Special reserve under Section 29C	798.12	559.09
Impairment reserve	(0.00)	1,808.02
Capital redemption reserve	93.31	93.31
Capital reserve on consolidation	1,047.05	1,047.05
Retained earnings	(23,202.97)	(7,985.23)
Equity component of compound financial instrument	0.00	0.00
Equity instruments through Other Comprehensive Income	(90.76)	(90.76)
Foreign exchange translation reserve	(5.04)	(41.70)
<b>Total</b>	<b>55,179.45</b>	<b>63,329.70</b>



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 29 : OTHER EQUITY (Contd..)

### 29.1 Nature and purpose of other equity

#### Capital reserve

Capital reserve is created due to gift of 525,000 equity shares of Rap Media Limited.

#### Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

#### Debenture redemption reserve

The Companies Act, 2013 requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Company is required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On completion of redemption, the reserve may be transferred to General reserves.

#### Share options outstanding account

The Employee stock options outstanding represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the statement of profit and loss in respect of equity-settled share options granted to the eligible employees of the Company and its subsidiaries in pursuance of the Employee Stock Option Plan.

#### Treasury shares

The Centrum ESPS Trust is extension of Company's financial statements. The Centrum ESPS trust are holding 1,82,22,234 number of equity shares (Previous year 1,89,22,234) amounting to ₹ 2,223.04 lakhs ( Previous year ₹ 2,310.54 lakhs)

#### General reserve

General reserve is a free reserve available for distribution subject to compliance with the Companies (Declaration and Payment of Dividend) Rules, 2014.

#### Statutory reserve u/s 45-IC of The Reserve Bank of India Act, 1934

The Company transfers a of sum of not less than twenty per cent of net profit of that year as disclosed in the statement of profit and loss to its Statutory reserve pursuant to Section 45-IC of the RBI Act, 1934.

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:

- (1) Every non-banking financial Company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal. Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty-one days by such further period as it thinks fit or condone any delay in making such report.

#### Special reserve u/s 29C of The National Housing Bank Act, 1987

In terms of Section 29C of the National Housing Bank Act, 1987 every housing finance institution which is a company is required to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the profit and loss account before any dividend is declared. Housing Finance Companies (HFCs), are permitted to withdraw from the said reserve fund, the excess amount credited (in excess of the statutory minimum of 20%) in the previous years for any business purposes subject to suitable disclosure in the balance sheet and in the case of HFCs which have transferred only the statutory minimum in the previous years to selectively permit them to withdraw from the reserve fund only for the purpose of provisioning for non-performing assets subject to the conditions that there is no debit balance in the profit and loss account and that the reason for such withdrawal are stated explicitly in the balance sheet

#### Impairment reserve

In line with the RBI Circular No. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13<sup>th</sup> March,

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 29 : OTHER EQUITY (Contd..)

2020, the Company has created provision for impairment on financial instruments and the excess of the provision prescribed under IRACP norms over and above the ECL as per the Ind AS 109 norms has been transferred to a separate Impairment reserve through an appropriation from the net profit or loss for the year. This appropriation has been reflected in the statement of changes in equity under retained earnings. Further, the withdrawal from this reserve can be done only with prior permission of RBI.

### Capital redemption reserve

The same has been created in accordance with provisions of Companies Act for the buyback of equity shares.

### Capital reserve on consolidation

Capital reserve represents reserves created pursuant to the business combination up to year end.

### Capital reserve on amalgamation

Capital reserve created on amalgamation with the Punjab and Maharashtra Co-operative Bank Limited (amalgamation with Unity Small Finance Bank Limited) Scheme, 2022.

### Retained earnings

Retained earnings or accumulated surplus represents total

of all profits retained since Group's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

### Equity component of compound financial instruments

The Company has issued compound financial instruments amounting to ₹ 5,00,00,000 which includes a liability component and an equity component. The equity component has been shown here.

### Equity instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The group transfers amounts from this reserve to retained earnings then the relevant equity securities are derecognised.

### Foreign exchange translation reserve

The exchange differences arising out of year end translation of Group entities having functional currency other than Indian rupees is debited or credited to this reserve.

## 29.2 Movement in other equity

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>a) Securities premium</b>		
Opening balance	41,308.39	20,892.03
Add: Premium received on issue of securities	-	20,416.36
<b>Closing balance</b>	<b>41,308.39</b>	<b>41,308.39</b>
<b>b) Debenture redemption reserve</b>		
Opening balance	4,052.85	5,794.35
Less: Transfer (to)/from retained earnings	1,835.81	(1,741.50)
<b>Closing balance</b>	<b>5,888.66</b>	<b>4,052.85</b>
<b>c) Amalgamation reserve</b>		
Opening balance	15,103.33	-
Add: Additions during the year	5,734.11	15,103.33
<b>Closing balance</b>	<b>20,837.44</b>	<b>15,103.33</b>

**Notes forming part of the Consolidated Financial Statements**

for the year ended March 31, 2023

**Note 29 : OTHER EQUITY** (Contd..)

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>d) Share option outstanding account</b>		
Opening balance	1,006.47	1,337.78
Add : Share based payment expenses	937.87	172.65
Less: Transfer (to)/from general reserve	(368.09)	-
Less : Termination of services	-	(503.96)
<b>Closing balance</b>	<b>1,576.25</b>	<b>1,006.47</b>
<b>e) Treasury shares</b>		
Opening balance	(2,310.54)	(2,310.54)
Add : Sale of treasury shares	87.50	-
<b>Closing balance</b>	<b>(2,223.04)</b>	<b>(2,310.54)</b>
<b>d) General reserve</b>		
Opening balance	6,158.55	4,417.05
Add: Additions during the year	368.09	1,741.50
<b>Closing balance</b>	<b>6,526.64</b>	<b>6,158.55</b>
<b>e) Statutory reserve under Section 45-IC</b>		
Opening balance	255.87	386.15
Add: Additions during the year	1.90	(130.39)
<b>Closing balance</b>	<b>257.77</b>	<b>255.87</b>
<b>f) Special reserve under Section 29C</b>		
Opening balance	559.09	279.10
Add: Transfer (to)/from retained earnings	239.03	280.09
<b>Closing balance</b>	<b>798.12</b>	<b>559.09</b>
<b>g) Impairment reserve*</b>		
Opening balance	1,808.02	1,619.82
Add: Transfer (to)/from retained earnings	(1,808.02)	188.20
<b>Closing balance</b>	<b>(0.00)</b>	<b>1,808.02</b>
<b>h) Capital redemption reserve</b>		
Opening balance	93.31	93.31
Add : Additions during the year	-	-
<b>Closing balance</b>	<b>93.31</b>	<b>93.31</b>
<b>i) Capital reserve on consolidation</b>		
Opening balance	1,047.05	1,047.05
Add : Additions during the year	-	-
<b>Closing balance</b>	<b>1,047.05</b>	<b>1,047.05</b>
<b>j) Retained earnings</b>		
Opening balance	(7,985.23)	17,629.72
Add : Profit for the year	(14,981.17)	(17,662.45)
Add : Other Comprehensive Income	28.73	(245.86)
Add: Transfer (to)/from impairment reserve	1,808.02	(188.20)
Add: Transfer (to)/from statutory reserve	(239.03)	130.39

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 29 : OTHER EQUITY (Contd..)

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Add: Transfer (to)/from debenture redemption reserve	(1,835.81)	-
Add: Transfer (to)/from special reserve	-	(280.09)
Add: Adjustments on account of change in holdings	1.51	(7,368.75)
<b>Closing balance</b>	<b>(23,202.97)</b>	<b>(7,985.23)</b>
<b>k) Equity component of compound financial instrument</b>		
Opening balance	-	375.43
Add : Adjustments during the year	-	(375.43)
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>m) Equity Instruments through Other Comprehensive Income</b>		
Opening balance	(90.76)	(90.76)
Add : Additions during the year	-	-
<b>Closing balance</b>	<b>(90.76)</b>	<b>(90.76)</b>
<b>n) Foreign exchange translation reserve</b>		
Opening balance	(41.70)	(57.58)
Add : Additions during the year	36.66	15.88
<b>Closing balance</b>	<b>(5.04)</b>	<b>(41.70)</b>

(\*During previous year, the loans and advances held by the Centrum Financial Services Limited ('CFSL') were transferred to Unity Small Finance Bank Limited ('USFB'), as required by the RBI License issued on October 12, 2021. As on the date of transfer, the CFSL held ₹ 1,808.02 Lakhs in impairment reserve as required by RBI Notification RBI/2019-20/170 DOR NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020. As on March 31, 2022, CFSL does not hold any loans and advances and has grouped it under retained earnings for financial year ended March 31, 2022. The CFSL has also sought ratification of the same from RBI vide a communication dated March 30, 2022. This amount shall not be available for appropriation pending ratification by RBI.)

### Note 30 : INTEREST INCOME

Particulars	(₹ in lakhs)	
	year ended March 31, 2023	year ended March 31, 2022
On Financial assets measured at amortised cost:		
- on portfolio loans	65,648.51	27,769.41
- on debt instruments	8,284.45	4,038.01
- on intercorporate deposits	8,176.26	5,253.93
On Financial assets measured at FVTPL:		
- on investments	124.81	-
On Financial assets measured at FVTOCI:		
- on investments	9,000.17	-
On fixed deposits with banks	407.95	665.15
Interest on balances with Reserve Bank of India and other inter-bank funds	2,799.39	725.50
<b>Total</b>	<b>94,441.54</b>	<b>38,452.00</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 31 : FEES AND COMMISSION INCOME

Particulars	(₹ in lakhs)	
	year ended March 31, 2023	year ended March 31, 2022
Syndication, commission and brokerage	19,213.58	18,359.97
Advisory income	495.01	414.83
Consultancy fees	2,456.29	2,363.34
Business support service fees	2,142.80	1,429.22
Other fees	1,449.60	1,161.66
<b>Total</b>	<b>25,757.28</b>	<b>23,729.03</b>

Other Ind AS 115 disclosures- Revenue from contract with customers

Set out below is the disaggregation of the revenue from contracts with customers

Type of service	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Fees and Commission Income	25,757.28	23,729.03
<b>Total revenue from contracts with customers :</b>	<b>25,757.28</b>	<b>23,729.03</b>
Geographical markets		
India	25,726.73	23,602.58
Outside India	30.54	126.45
<b>Total revenue from contracts with customers</b>	<b>25,757.28</b>	<b>23,729.03</b>
Timing of revenue recognition :		
Services transferred at point in time	25,757.28	23,729.03
Services transferred overtime	-	-
<b>Total revenue from contracts with customers</b>	<b>25,757.28</b>	<b>23,729.03</b>

Note : The Company satisfies its performance obligations on completion of service with regards to investment banking, advisory and other fees. The payments on these contracts is due on completion of service, the contracts do not contain significant financing component and the consideration is not variable.

## Note 32 : NET GAIN/(LOSS) ON FAIR VALUE CHANGES

Particulars	(₹ in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>(A) Net gain /(loss) on financial instruments at FVTPL</b>		
- Equity shares	(462.08)	570.92
- Preference shares	(115.64)	(1,210.66)
- Debt instrument and other investments	1,343.70	(684.01)
<b>(B) Net gain /(loss) on financial instruments at amortised cost</b>		
- Debt instrument and other investments	4,493.31	-
<b>('C) Net gain on derecognition of financial instruments</b>		
- Debt instrument and other investments	(3,745.80)	256.35
<b>(D) Total net gain on fair value changes</b>	<b>1,513.49</b>	<b>(1,067.39)</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 32 : NET GAIN/(LOSS) ON FAIR VALUE CHANGES (Contd..)

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Fair value changes :		
- Realised	(2,400.45)	934.47
- Unrealised	3,913.93	(2,001.85)
<b>(E) Total net gain on financial instruments at FVTPL (D=E)</b>	<b>1,513.49</b>	<b>(1,067.39)</b>

## Note 33: OTHER OPERATING INCOME

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other fees income	847.40	1459.71
<b>Total</b>	<b>847.40</b>	<b>1,459.71</b>

## Note 34 : OTHER INCOME

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>On financial assets measured at amortised costs</b>		
Interest on advances	370.43	121.26
Interest on deposits with bank	680.45	409.87
Other interest income	140.65	185.19
<b>On financial assets measured at fair value through profit or loss</b>		
Interest income on financial assets	74.58	41.64
Dividend income on Equity shares	8.84	5.90
Interest on income tax refund	296.16	175.69
Foreign exchange gain (net)	0.50	1.00
Gain on modification of leases	5.25	37.32
Gain on direct assignment	-	127.17
Marketing income	-	615.60
Liquidity Assistance Scheme*	2,995.51	-
Loan processing fees/pre-closure charges	98.93	120.57
Profit on sale of share warrants	750.00	-
Other non operating income	122.66	137.31
<b>Total</b>	<b>5,543.96</b>	<b>1,978.51</b>

\* (where offered to erstwhile depositors of PMC Bank)

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 35 : FINANCE COSTS

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>On financial liabilities measured at amortised cost</b>		
Interest on		
- Debt securities	17,574.59	19,345.24
- Borrowings (other than debt securities)	3,781.25	6,768.77
- Deposits	12,317.83	17.76
- RBI/inter-bank borrowings	865.49	838.73
- Lease liability	562.96	180.71
- Restructured liability	25,958.71	4,698.65
- Subordinate liability	43.78	375.32
Dividend on PNCPS	2,248.50	400.48
Other borrowing costs	286.97	373.04
<b>Total</b>	<b>63,640.09</b>	<b>32,998.70</b>

## Note 36 : IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Impairment on financial instruments measured at amortised cost</b>		
on loans	5,338.03	9,294.53
on undrawn commitments	-	(2.36)
on trade and other receivables	1,350.61	1,274.65
<b>Total</b>	<b>6,688.64</b>	<b>10,566.81</b>

## Note 37 : EMPLOYEE BENEFITS EXPENSES

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and bonus	39,703.33	24,781.26
Share-based Payment expenses	835.60	(351.39)
Contribution to provident and other funds	2,118.28	1,314.70
Staff welfare expenses	442.40	168.54
<b>Total</b>	<b>43,099.61</b>	<b>25,913.11</b>

## Note 38 : DEPRECIATION AND AMORTISATION

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	1,764.76	809.63
Amortisation of intangible assets	312.07	210.43
Depreciation on Right-of-Use assets	1,718.20	1,126.75
<b>Total</b>	<b>3,795.03</b>	<b>2,146.81</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 39 : OTHER EXPENSES

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent expenses (refer note 53)	2,631.59	789.88
Rates and taxes	293.67	417.51
Electricity expenses	656.95	72.74
Net loss on foreign currency transaction	5.01	0.87
Repair and maintenance	909.61	247.83
Software subscription/ IT related expenses	4,697.55	796.88
Insurance	649.26	208.34
Advertisement and publicity	16.52	1.77
Business promotion	1,452.60	284.00
Meeting and seminars	189.29	130.62
Subscription and membership fees	760.62	291.30
Business support services expenses	477.18	662.26
Commission and brokerage	2,092.89	938.27
Travelling and conveyance	2,239.58	513.53
Vehicle expenses	102.99	93.64
Communication costs	741.48	157.88
Printing and stationery	483.50	109.69
Legal and professional charges	6,164.23	3,376.99
Office expenses	2,008.57	650.34
Director's sitting fees	250.42	209.00
Loss on sale of Property, plant & equipment	18.19	-
Auditor's Remunerations (refer Note 39.1)	175.08	158.99
Corporate social responsibility expenditure (refer Note 40)	27.85	40.59
Cash handling charges	56.04	86.87
Underwriting expenses	290.61	133.17
Exchange / Clearing house expenses / Transaction charges	548.31	561.21
Depository, Transaction, PMS and other Charges	401.41	104.47
Net loss due to dealing error	50.29	45.22
Miscellaneous expenses	350.78	247.18
<b>Total</b>	<b>28,742.05</b>	<b>11,331.02</b>

### Note 39.1 : AUDITORS REMUNERATIONS

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Statutory audit fees	132.53	110.47
Other services	18.00	27.20
Certification work	16.18	12.96
Tax audit fees	4.45	6.20
Out-of-pocket expenses	3.92	2.16
<b>Total</b>	<b>175.08</b>	<b>158.99</b>



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 39 : OTHER EXPENSES** (Contd..)**Note 39.2 : UNDISCLOSED INCOME**

The details are not applicable to the Group, related to transactions 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), unless there is immunity for disclosure under any scheme and shall also state whether the previously unrecorded income and related assets have been properly recorded in the books of account during the year.

**NOTE 39.3 : DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY**

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year 2022-23.

**Note 40 : CONTRIBUTION FOR CORPORATE SOCIAL RESPONSIBILITY (CSR)****Details of CSR :**

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
As per the provisions of Section 135 of Companies Act, 2013		
A) Gross amount required to be spent by the Company during the year	27.85	12.28
B) Amount spent during the year on		
I Construction/acquisition of any assets		
i) In cash	-	-
ii) Yet to be paid in cash	-	-
<b>Total (I)</b>	-	-
II On purpose other than (i) above		
i) In cash	27.85	40.59
ii) Yet to be paid in cash	-	-
<b>Total (II)</b>	<b>27.85</b>	<b>40.59</b>
<b>Total (I + II)</b>	<b>27.85</b>	<b>40.59</b>

**Following details are with regard to CSR activities:-**

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) amount required to be spent by the company during the year,	27.85	12.28
(b) amount of expenditure incurred,	27.85	40.59
(c) shortfall at the end of the year,	-	-
(d) total of previous years shortfall,	-	-
(e) reason for shortfall,	NA	NA
(f) nature of CSR activities	Refer below note	
(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.	NA	NA

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 40 : CONTRIBUTION FOR CORPORATE SOCIAL RESPONSIBILITY (CSR) (Contd..)

#### 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.

### Note 41 : INCOME TAXES

#### 41.1 The components of income tax expense for the year ended March 31, 2023 and year ended March 31, 2022

Particulars	(₹ in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Current tax	1,566.17	593.22
Adjustment in respect of current income tax of prior years	(31.86)	11.77
Deferred tax relating to origination and reversal of temporary differences	(1,104.87)	(42.94)
<b>Income tax expense reported in statement of profit and loss</b>	<b>429.44</b>	<b>562.05</b>
Current tax	1,534.31	604.99
Deferred tax	(1,104.87)	(42.94)
<b>Income tax recognised in Other Comprehensive Income (OCI)</b>		
Deferred tax related to items recognised in OCI during the year:		
- Fair value changes on equity instruments through OCI	-	-
- Remeasurement of defined benefit plans	(25.91)	165.98
<b>Income tax charged to OCI</b>	<b>(25.91)</b>	<b>165.98</b>

#### 41.2 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 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, 2023 and March 31, 2022 is, as follows:

Particulars	(₹ in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	(17,864.43)	(18,431.87)
Applicable statutory enacted income tax rate	26.00%	26.00%
Computed tax expense	(4,644.75)	(4,792.29)
<b>Increase/(Reduction) in Taxes on account of</b>		

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 41 : INCOME TAXES** (Contd..)

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Items (net) not deductible for tax/not liable to tax</b>		
Others	1,335.39	451.55
<b>Income not subject to tax or chargeable at lower rate</b>		
Capital Gain on sale of investments (net)	10.56	-
Different tax rates of subsidiaries*	1,234.05	3,946.52
Tax losses and unabsorbed depreciation	2,526.05	664.40
Deduction u/s 36(1)(viii) of Income Tax Act, 1961		280.09
Tax expense relating to earlier years (net)	(31.86)	11.77
<b>Income tax expense reported in the Statement of profit and loss</b>	<b>429.44</b>	<b>562.05</b>
<b>Effective tax rate</b>	<b>(2.58%)</b>	<b>(2.99%)</b>

Note\* : Post BTA of two subsidiary Centrum Financial Services Limited and Centrum Microcredit Limited, there being no virtual certainty supported by convincing evidence that there shall be future taxable profits against which the unabsorbed losses /accumulated losses would be utilised in said companies, the deferred tax assets appearing in the respective books have been reversed resulting in high effective tax rates for the year ended March 31, 2022

**41.3 Deferred Tax**

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expenses

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax assets</b>		
Expenses allowable under section 43B of the Income Tax Act, 1961 on payment basis	1,001.25	192.61
Impairment allowance for financial assets	825.57	876.61
Fair valuation of financial instruments	46.38	15.13
Employee benefit obligations	570.43	543.35
MAT credit entitlement	2,070.82	2,070.82
Effective interest rate on financial assets	1,871.96	436.00
Leases impact, net- ROU and lease liabilities	(199.93)	8.09
Tax (losses)/benefit carry forwards, net	252.03	244.93
Provision on loans	75,306.13	74,522.80
Others	137.23	181.01
<b>Deferred tax assets (A)</b>	<b>81,881.86</b>	<b>79,091.35</b>
<b>Deferred tax liabilities</b>		
Fair valuation of financial instruments	851.61	20.57
Property, plant and equipment	1,294.26	221.07
Effective interest rate on financial liabilities	86.00	271.06
Others	837.80	12.66
<b>Deferred tax liabilities (B)</b>	<b>3,069.67</b>	<b>525.36</b>
<b>Deferred tax assets (net) [(A)- (B)]</b>	<b>78,812.18</b>	<b>78,565.99</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 41 : INCOME TAXES (Contd..)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Income Statement	OCI	Income Statement	OCI
<b>Deferred tax assets</b>				
Expenses allowable under section 43B of the Income Tax Act, 1961 on payment basis	(808.64)	-	28.05	-
Impairment allowance for financial assets	51.04	-	138.05	-
Fair valuation of financial instruments	(31.25)	-	134.51	-
Employee benefit obligations	(52.99)	(25.91)	(199.15)	165.98
MAT credit entitlement	(0.00)	-	753.22	-
Effective interest rate on financial assets	(1,435.96)	-	(149.70)	-
Leases impact, net - ROU and lease liabilities	208.02	-	(5.86)	-
Tax (losses)/benefit carry forwards, net	(7.10)	-	1,390.65	-
Goodwill adjustments	-	-	33.44	-
Provision on loans	(783.33)	-	(1,312.41)	-
Others	43.78	-	(118.70)	-
<b>Deferred tax assets (A)</b>	<b>(2,816.44)</b>	<b>(25.91)</b>	<b>692.11</b>	<b>165.98</b>
<b>Deferred tax liabilities</b>				
Fair valuation of financial instruments	(831.04)	-	389.45	-
Property, plant and equipment	(1,073.19)	-	259.57	-
Effective interest rate on financial liabilities	186.12	-	45.29	-
Others	(825.14)	-	40.74	-
<b>Deferred tax liabilities (B)</b>	<b>(2,543.25)</b>	<b>-</b>	<b>735.05</b>	<b>-</b>
<b>Net</b>	<b>(273.19)</b>	<b>(25.91)</b>	<b>(42.94)</b>	<b>165.98</b>
<b>Adjustments</b>				
Fair value of Loans	831.69	-	-	-
<b>Total (net) [(A)- (B)]</b>	<b>(1,104.87)</b>	<b>(25.91)</b>	<b>(42.94)</b>	<b>165.98</b>

### Note 42 : EARNING PER SHARE (EPS)

Basic EPS is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(₹ in lakhs unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Net profit/(loss) attributable to ordinary equity holders (A)	(14,978.65)	(17,674.22)
Weighted average number of equity shares for basic EPS (B)	41,60,32,740	41,60,32,740
Weighted average number of equity shares for diluted EPS (C)	41,60,32,740	41,60,32,740
Basic earnings per equity share (face value of ₹ 1 per share) (A/B)	(3.60)	(4.25)
Diluted earnings per equity share (face value of ₹ 1 per share) (A/C)	(3.60)	(4.25)

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 43: EMPLOYEE STOCK OPTION PLAN

### 43.1 Employee Stock Option Plan

The Group has recognised share-based payment expenses for the years ended March 31, 2021 and March 31, 2020 based on fair value as on the grant date calculated as per option pricing model. The grants represent equity-settled options under the Employee Stock Options Plans (hereinafter referred to as ESOP 2017, ESOP 2018, CFSL ESOP and CHFL ESOP).

The Company has granted ESOPs to its employees and also to employee of group companies. The Company has two employees stock option schemes viz. CCL Employee Stock Option Scheme 2017 and CCL Employee Stock Option Scheme 2018 as tabulated below. Further, CFSL has also granted ESOP to its employees under two employees stock option schemes viz. CFSL ESOP Scheme I and CFSL ESOP Scheme II, CHFL has also granted ESOP to its employees under employees stock option scheme viz. CHFL ESOP Schemes.

#### a) Centrum Capital Limited : CCL ESOP SCHEMES :-

##### CCL Employee Stock Option Scheme 2017

The scheme was approved by shareholders on August 31, 2017 for grant of stock options and all the granted options shall vest with the participant on the last day of the of 1<sup>st</sup> year from the grant date

##### CCL Employee Stock Option Scheme 2018

The Scheme was approved by Shareholders on March 29, 2018 for grant of stock options and below are vesting requirements:

Sr. No.	Particulars	Maximum options entitled for vesting
1	At the end of Year 1 from the Grant date	20 (Twenty)% of total options granted
2	At the end of Year 2 from the Grant date	20 (Twenty)% of total options granted
3	At the end of Year 3 from the Grant date	20 (Twenty)% of total options granted
4	At the end of Year 4 from the Grant date	20 (Twenty)% of total options granted
5	At the end of Year 5 from the Grant date	20 (Twenty)% of total options granted

The details of activity under both the Schemes (Face value of ₹ 1 each) are summarized below:

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 43: EMPLOYEE STOCK OPTION PLAN (Contd..)

(₹ in lakhs)

Particulars	Number of options for the year ended March 31, 2023	Number of options for the year ended March 31, 2022
<b>Scheme 2017 : Face value of ₹ 1 each</b>	-	-
Exercise price	Refer Note A below	Refer Note A below
Options outstanding as at beginning of the year	8,00,000	8,00,000
Add: Granted	98,20,000	-
Less: Exercised	7,00,000	-
Less: Forfeited	-	-
Less: Lapsed	-	-
<b>Option outstanding end of the year</b>	<b>99,20,000</b>	<b>8,00,000</b>
<b>Exercisable at the end of the year</b>	<b>1,00,000</b>	<b>8,00,000</b>
<b>Scheme 2018 : Face value of ₹ 1 each</b>		
Exercise price	Refer Note A below	Refer Note A below
Option outstanding as at beginning of the year	38,00,000	38,00,000
Add Granted	-	-
Less: Exercised	-	-
Less: Forfeited/Cancelled	-	-
Less: Lapsed	-	-
<b>Option outstanding as at end of the year</b>	<b>38,00,000</b>	<b>38,00,000</b>
<b>Exercisable at the end of the year</b>	<b>18,50,000</b>	<b>18,50,000</b>

Note A:

Particulars	Scheme 2017	Scheme 2018
Exercise price/Pricing Formula	The exercise Price for the Options granted shall be ₹ 12.50 per share	The exercise price for the options granted shall be decided by the Board/Committee/Trust, in such manner, during such period, in one or more tranches and on such terms and conditions as it may deem fit, provided that the exercise price per option shall not be less than the face value of the equity share of the Company and shall be subject to compliance with the accounting policies under the regulations as may be applicable.
Total number of stock options approved (total shares lying with the Trust)	2,45,81,160	2,45,81,160
Maximum term of stock options granted	5 years	5 years
Source of shares (primary, secondary or combination)	Secondary	Secondary
Date of grant	Various Dates	Various Dates
Total number of Options granted	1,16,20,000	38,00,000
Method of settlement	Equity	Equity

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 43: EMPLOYEE STOCK OPTION PLAN (Contd..)

Particulars	Scheme 2017	Scheme 2018
Total Number of options Granted but not vested	98,20,000	19,50,000
Vested but not exercised	1,00,000	18,50,000
Exercise period	5 Years from each grant date	5 Years from each grant date
Weighted average share price at the date of exercise for stock options exercised during the year	NA	NA

#### Details of Options granted:

Particulars	Scheme 2017				Scheme 2018		
	Sept 17, 2019	Oct 1 2018	Apr 12, 2018	Jun 22, 2022	July 26, Sept 17 and 20, 2019	Aug 29, 2018	Dec 14, 2018
Grant Date							
Number of options granted	5,00,000	5,00,000	12,00,000	98,20,000	21,50,000	10,00,000	7,50,000
Number of options forfeited/cancelled	-	-	4,00,000	-	-	1,00,000	-
Number of options granted (net)	5,00,000	5,00,000	8,00,000	98,20,000	21,50,000	9,00,000	7,50,000
Range of risk free interest rate	6.46%	8.04%	7.32%	6.72%	-	8.14% -8.31%	7.35% -7.50%
Dividend yield	0.16%	0.08%	0.08%	0.00%	-	0.08%	0.08%
Expected volatility	20.05%	21.16%	19.84%	25.41%	-	25.19%	17.24% -21.75%
Exercise price (₹)	12.5	12.5	12.5	12.5	Not yet determined	27.75	29.00
Fair value of option (₹)	15.39	27.5	52.58	9.34	Not yet determined	10.1 to 14.64	17.87 to 22.74
No. of years vesting	On the last day of the of 1 <sup>st</sup> year from the Grant date				As per vesting schedule described above		

Vesting of options is subject to continued employment during the vesting period.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 43: EMPLOYEE STOCK OPTION PLAN (Contd..)

### b) Centrum Financial Services Limited : CFSL ESOP SCHEMES :-

The details of activity under the both Schemes (Face value of ₹ 10/- each) are summarized below:

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
(₹ in lakhs)		
<b>Scheme-I : Face value of ₹ 10 each</b>		
Exercise price ₹ 10 each		
Options outstanding as at beginning of the year	-	35,15,387
Add: Granted	-	-
Less: Exercised	-	-
Less: Forfeited	-	(35,15,387)
Less: Lapsed	-	-
<b>Option outstanding end of the year</b>	-	-
<b>Exercisable at the end of the year</b>	-	-
<b>Scheme-II : Face value of ₹ 10 each</b>		
Exercise price ₹ 10 each		
Option outstanding as at beginning of the year	-	10,79,500
Add: Granted	-	-
Less : Exercised	-	-
Less: Forfeited	-	(10,79,500)
Less: Lapsed	-	-
<b>Option outstanding as at end of the year</b>	-	-
<b>Exercisable at the end of the year</b>	-	-

### c) Centrum Housing Limited : CHFL ESOP SCHEMES :-

Particulars	ESOP Series I				ESOP Series II
	Tranche-I	Tranche-II	Tranche-III	Tranche-IV	Tranche-I
No. of options approved	30,45,000	19,99,999	20,00,000	26,68,501	7,30,000
Date of grant	01-04-2019	07-05-2019	31-08-2019	21-02-2022	01-04-2019
No. of options granted	30,45,000	19,99,999	20,00,000	26,68,501	7,30,000
Exercise price per option	10	10	10	10	10
Method of settlement	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

(B) No fresh options granted during the year 2022-23



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 43: EMPLOYEE STOCK OPTION PLAN** (Contd..)**(C) Reconciliation of options**

Particulars Tranches	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	-	-	-	-	-
<b>Outstanding at March 31, 2023</b>	<b>28,30,000</b>	<b>19,99,999</b>	<b>20,00,000</b>	<b>26,68,501</b>	<b>1,20,000</b>
<b>Exercisable at March 31, 2023</b>	<b>28,30,000</b>	<b>19,99,999</b>	<b>20,00,000</b>	-	<b>1,20,000</b>
Weighted average remaining contractual life (in years)	4	4.1	4.42	6.9	4

Particulars Tranches	ESOP Series I				ESOP Series II
	Tranche-I	Tranche-II	Tranche-III	Tranche-IV	Tranche-I
Options outstanding at April 1, 2021	28,30,000	19,99,999	20,00,000	-	2,20,000
Granted during the year	-	-	-	26,68,501	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	-	-	-	-	-
Expired / lapsed during the year	-	-	-	-	-
<b>Outstanding at March 31, 2022</b>	<b>28,30,000</b>	<b>19,99,999</b>	<b>20,00,000</b>	<b>26,68,501</b>	<b>2,20,000</b>
<b>Exercisable at March 31, 2023</b>	<b>28,30,000</b>	-	-	-	-
Weighted average remaining contractual life (in years)	5	5.1	5.42	7.9	5

**43.2 Share-Based Payment expenses**

Other Information regarding employee share based payment plan is as below:

(₹ in lakhs)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Carrying amount at the start of the period of Share Option Outstanding Account	1,006.47	1,337.78
Expense arising from employee share based payment plans	937.87	172.65
Amount transferred to general reserve on account of ESOP Exercised during the year	(368.09)	(503.96)
<b>Total carrying amount at the end of the period of Share Option Outstanding Account</b>	<b>1,576.25</b>	<b>1,006.47</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 44: RELATED PARTY DISCLOSURES

### 44.1. Relationships

Relationship	Name of the party
<b>A. List of Related Parties</b>	
(i) Subsidiary	<p>Centrum Retail Services Limited                      Centrum Broking Limited                      Centrum Housing Finance Limited                      Unity Small Finance Bank Limited (Subsidiary of Centrum Financial Services Limited) (w.e.f August 25, 2021)                      Centrum Financial Services Limited                      Centrum International Services Pte. Limited.                      Centrum Alternatives LLP                      Modulus Alternatives Investment Managers Limited (formerly Centrum Alternative Investment Managers Limited)                      Centrum Capital International Limited                      Ignis Capital Advisors Limited (w.e.f October 27,2021)                      CCAL Investment Management Limited (Subsidiary of Centrum Capital International Limited)                      Centrum Capital Advisors Limited                      Centrum Wealth Limited (Subsidiary of Centrum Retail Services Limited)                      Centrum Microcredit Limited (Merged with Company)                      Centrum Investment Advisors Limited (Subsidiary of Centrum Wealth Limited)                      Centrum Insurance Brokers Limited (Subsidiary of Centrum Retail Services Limited)</p>
(ii) Associate	Acorn Fund Consultants Private Limited
(iii) Key Management Personnel/ Directors	<p>Mr. Jaspal Singh Bindra, Executive Chairman                      Mr. Chandir Gidwani, Chairman Emeritus (Non- Executive Director)                      Mr. Sriram Venkatasubramanian, Chief Financial Officer                      Mr. Alpesh Shah, Company Secretary (upto October 12, 2021)                      Mr. Parthasarthy Iyenger, Company Secretary (w.e.f May 10, 2022)                      Mr. Rajasekhara Reddy, Non-Executive Independent Director ( upto September 05, 2022)                      Mr. Subhash Kutte, Non-Executive Independent Director                      Mr. Manmohan Shetty, Non-Executive Independent Director                      Mr. Narayan Vasudeo Prabhutendulkar, Non-Executive Independent Director                      Ms. Anjali Seth, Non-Executive Independent Director                      Mr. Subrata Kumar Mitra, Non-Executive Independent Director                      Mr. Rajesh Kumar Srivastava, Non-Executive Director                      Mr. Rajesh Nanavatya, Non-Executive Director (upto August 03, 2021)                      Mr. Rishad Byramjee, Non-Executive Director                      Mr. Ramchandra Kasargod Kamath, Non-Executive Director                      Mr. Essaji Goolam Vahanvati, Non-Executive Independent Director (w.e.f October 14, 2022)                      Mrs.Mahakhurshid Byramjee, Non-Executive Director                      Mr. Sankaranarayanan Radhamangalam Anantharaman, Non-Executive Independent Director</p>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 44: RELATED PARTY DISCLOSURES (Contd..)

(iv) Relatives of Key Management Personnel      Mr. Amritpal Singh Bindra ( Son of Executive Chairman)

#### **B. Related parties with whom the Company has entered into transactions during the year:**

(i) Enterprise where Key Management Personnel Director has Control / Significant Influence	Businessmatch Services (India) Private Limited Sonchajyo Investments and Finance Private Limited JBCG Advisory Services Private Limited BG Advisory Services LLP Casby Global Air Private Limited Vishwaroop Residency Private Limited Thrill Park Limited Nanikrami Agro Private Limited Axis Spaces Private Limited ( w.e.f April 01, 2022) Jakari Developers Private Limited ( w.e.f April 01. 2022) Acapella Foods And Restaurants Private Limited Club 7 Holidays Limited
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# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## 44.2. Related Party Transactions : (Refer Annexure 'A')

(₹ in lakhs)

Nature of transaction	Enterprise where Key Management Personnel / Director has Control / Significant Influence		Key Management Personnel / Directors		Relative of Key Management Personnel / Director		Associates / Entities where company has significant influence		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
<b>Inter-Corporate Deposits Given</b>										
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	873.00	-	873.00
<b>Total</b>	-	-	-	-	-	-	-	<b>873.00</b>	-	<b>873.00</b>
<b>Inter-Corporate Deposits received back</b>										
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	759.87	-	759.87
Thrill Park Limited	2,287.73	-	-	-	-	-	-	-	2,287.73	-
<b>Total</b>	<b>2,287.73</b>	-	-	-	-	-	-	<b>759.87</b>	<b>2,287.73</b>	<b>759.87</b>
<b>Bad Debts written off</b>										
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	733.00	-	733.00	-
<b>Total</b>	-	-	-	-	-	-	<b>733.00</b>	-	<b>733.00</b>	-
<b>Purchase of Centrum Retail Services Limited Equity share</b>										
Amritpal Singh Bindra	-	-	-	-	-	6,180.50	-	-	-	6,180.50
<b>Total</b>	-	-	-	-	-	<b>6,180.50</b>	-	-	-	<b>6,180.50</b>
<b>Compulsory Convertible Debentures of Centrum Microcredit Limited purchased</b>										
Amritpal Singh Bindra	-	-	-	-	-	2,050.00	-	-	-	2,050.00
BG Advisory Services LLP	-	-	347.40	-	-	-	-	-	-	347.40
<b>Total</b>	-	-	<b>347.40</b>	-	-	<b>2,050.00</b>	-	-	-	<b>2,397.40</b>
<b>Sale of Share Warrant of Unity Small Finance Bank Limited</b>										
JBCG Advisory Services Private Limited	800.00	-	-	-	-	-	-	-	800.00	-
<b>Total</b>	<b>800.00</b>	-	-	-	-	-	-	-	<b>800.00</b>	-
<b>Brokerage, Commission and Other Income</b>										
Businessmatch Services (India) Private Limited	141.63	-	-	-	-	-	-	-	141.63	-
BG Advisory Services LLP	4.38	5.50	-	-	-	-	-	-	4.38	5.50
JBCG Advisory Services Private Limited	38.70	36.83	-	-	-	-	-	-	38.70	36.83
<b>Total</b>	<b>184.71</b>	<b>42.33</b>	-	-	-	-	-	-	<b>184.71</b>	<b>42.33</b>
<b>Business Support Service Income</b>										
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	35.00	-	35.00
<b>Total</b>	-	-	-	-	-	-	-	<b>35.00</b>	-	<b>35.00</b>
<b>Professional Fees Income</b>										
JBCG Advisory Services Private Limited	-	1.56	-	-	-	-	-	-	-	1.56
<b>Total</b>	-	<b>1.56</b>	-	-	-	-	-	-	-	<b>1.56</b>
<b>Shared Resources Income</b>										
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	2.11	13.48	2.11	13.48
<b>Total</b>	-	-	-	-	-	-	<b>2.11</b>	<b>13.48</b>	<b>2.11</b>	<b>13.48</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

Nature of transaction	Enterprise where Key Management Personnel / Director has Control / Significant Influence			Key Management Personnel / Directors			Relative of Key Management Personnel / Director			Associates / Entities where company has significant influence			Total	
	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
<b>Interest Income</b>														
Axis Spaces Private Limited	1,215.65	-	-	-	-	-	-	-	-	-	-	-	1,215.65	-
Thrill Park Limited	285.94	-	-	-	-	-	-	-	-	-	-	-	285.94	-
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	-	-	18.46	-	-	18.46
Club 7 Holidays Limited	31.50	29.48	-	-	-	-	-	-	-	-	-	-	31.50	29.48
<b>Total</b>	<b>1,533.09</b>	<b>29.48</b>	-	-	-	-	-	-	-	-	<b>18.46</b>	-	<b>1,533.09</b>	<b>47.94</b>
<b>Rent Income</b>														
Club 7 Holidays Limited	4.12	-	-	-	-	-	-	-	-	-	-	-	4.12	-
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	-	5.95	-	-	5.95	-
<b>Total</b>	<b>4.12</b>	-	-	-	-	-	-	-	-	<b>5.95</b>	-	-	<b>10.07</b>	-
<b>Interest Expenses</b>														
Jakari Developers Private Limited	19.34	-	-	-	-	-	-	-	-	-	-	-	19.34	-
<b>Total</b>	<b>19.34</b>	-	-	-	-	-	-	-	-	-	-	-	<b>19.34</b>	-
<b>Business Support Service Expenses</b>														
Nanikrami Agro Private Limited	48.00	48.00	-	-	-	-	-	-	-	-	-	-	48.00	48.00
<b>Total</b>	<b>48.00</b>	<b>48.00</b>	-	-	-	-	-	-	-	-	-	-	<b>48.00</b>	<b>48.00</b>
<b>Rent Expenses</b>														
Businessmatch Services (India) Private Limited	75.20	14.47	-	-	-	-	-	-	-	-	-	-	75.20	14.47
Vishwaroop Residency Private Limited	205.89	196.09	-	-	-	-	-	-	-	-	-	-	205.89	196.09
<b>Total</b>	<b>281.09</b>	<b>210.56</b>	-	-	-	-	-	-	-	-	-	-	<b>281.09</b>	<b>210.56</b>
<b>Other Expenses</b>														
Club 7 Holidays Limited	151.78	122.03	-	-	-	-	-	-	-	-	-	-	151.78	122.03
Acapella Foods And Restaurants Private Limited	232.01	-	-	-	-	-	-	-	-	-	-	-	232.01	-
<b>Total</b>	<b>383.79</b>	<b>122.03</b>	-	-	-	-	-	-	-	-	-	-	<b>383.79</b>	<b>122.03</b>
<b>Directors Sitting Fees</b>														
Mr. Chandir Gidwani	-	-	4.75	4.75	-	-	-	-	-	-	-	-	4.75	4.75
Mr. Rajasekhara Reddy	-	-	2.00	5.00	-	-	-	-	-	-	-	-	2.00	5.00
Mr. Subinash Kutte	-	-	12.70	10.75	-	-	-	-	-	-	-	-	12.70	10.75
Mr. Manmohan Shetty	-	-	4.75	5.50	-	-	-	-	-	-	-	-	4.75	5.50
Mr. Narayan Vasudeo Prabhubtendulkar	-	-	9.40	9.50	-	-	-	-	-	-	-	-	9.40	9.50
Ms. Anjali Seth	-	-	4.00	5.00	-	-	-	-	-	-	-	-	4.00	5.00
Mr. Subrata Kumar Mitra	-	-	4.00	5.00	-	-	-	-	-	-	-	-	4.00	5.00
Mr. Rajesh Srivastava	-	-	4.00	5.00	-	-	-	-	-	-	-	-	4.00	5.00
Mr. Rajesh Nanavaty	-	-	-	1.25	-	-	-	-	-	-	-	-	-	1.25
Mr. Rishad Byramjee	-	-	5.60	9.75	-	-	-	-	-	-	-	-	5.60	9.75
Mr. Ramchandra Kasargod Kamath	-	-	4.00	5.00	-	-	-	-	-	-	-	-	4.00	5.00
Mrs. Mahakshurhid Byramjee	-	-	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

Nature of transaction	Enterprise where Key Management Personnel / Director has Control / Significant Influence		Key Management Personnel / Directors		Relative of Key Management Personnel / Director		Associates / Entities where company has significant influence		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Mr. Sankaranarayanan Radhamangalam Anantharaman	-	-	4.00	5.00	-	-	-	-	4.00	5.00
Mr. Essaji Goolam Vahanvati	-	-	2.00	-	-	-	-	-	2.00	-
<b>Total</b>	-	-	<b>62.20</b>	<b>72.50</b>	-	-	-	-	<b>62.20</b>	<b>72.50</b>
<b>Professional Fees Expenses</b>										
Sonchajyo Investment and Finance Private Limited	12.00	12.00	-	-	-	-	-	-	12.00	12.00
K.R. Kamath	-	-	-	60.00	-	-	-	-	-	60.00
<b>Total</b>	<b>12.00</b>	<b>12.00</b>	<b>-</b>	<b>60.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.00</b>	<b>72.00</b>
<b>Compensation to Key Management Personnel</b>										
Mr. Jaspal Bindra	-	-	576.00	419.58	-	-	-	-	576.00	419.58
Mr. Alpesh Shah	-	-	-	15.68	-	-	-	-	-	15.68
Mr. Parthasarathy Rajagopal Iyengar	-	-	30.34	-	-	-	-	-	30.34	-
Mr. Sriram Venkatasubramanian	-	-	221.00	187.02	-	-	-	-	221.00	187.02
<b>Total</b>	<b>-</b>	<b>-</b>	<b>827.34</b>	<b>622.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>827.34</b>	<b>622.28</b>
<b>Amount Receivable as at March 31, 2023</b>										
<b>Trade Receivables</b>										
JBCG Advisory Services Private Limited	25.62	1.81	-	-	-	-	-	-	25.62	1.81
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	0.03	-	-	0.03
<b>Total</b>	<b>25.62</b>	<b>1.81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.03</b>	<b>-</b>	<b>25.62</b>	<b>1.84</b>
<b>Interest Receivable</b>										
Club 7 Holidays Limited	42.99	13.29	-	-	-	-	-	-	42.99	13.29
Axis Spaces Private Limited	2,315.39	-	-	-	-	-	-	-	2,315.39	-
Thrill Park Ltd	25.62	-	-	-	-	-	-	-	25.62	-
<b>Total</b>	<b>2,384.00</b>	<b>13.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,384.00</b>	<b>13.29</b>
<b>Security Deposits Receivable</b>										
Businessmatch Services (India) Private Limited	60.00	60.00	-	-	-	-	-	-	60.00	60.00
Vishwaroop Residency Private Limited	50.00	50.00	-	-	-	-	-	-	50.00	50.00
Mr. Chandir Gidwani	-	-	30.00	30.00	-	-	-	-	30.00	30.00
<b>Total</b>	<b>110.00</b>	<b>110.00</b>	<b>30.00</b>	<b>30.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140.00</b>	<b>140.00</b>
<b>Loan/Advances receivable</b>										
Axis Spaces Private Limited	8,662.00	-	-	-	-	-	-	-	8,662.00	-
Thrill Park Limited	396.47	-	-	-	-	-	-	-	396.47	-
Club 7 Holidays Limited	225.00	225.00	-	-	-	-	-	-	225.00	225.00
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	50.00	783.00	-	783.00
<b>Total</b>	<b>9,283.47</b>	<b>225.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50.00</b>	<b>783.00</b>	<b>9,333.47</b>	<b>1,008.00</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

Nature of transaction	Enterprise where Key Management Personnel / Director has Control / Significant Influence			Key Management Personnel / Director			Relative of Key Management Personnel / Director			Associates / Entities where company has significant influence			Total		
	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	
<b>Other Receivables</b>															
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	-	-	0.02	-	-	-	0.02
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	0.02	-	-	-	0.02
<b>Amount payable as at March 31, 2023</b>															
<b>Expenses Payable</b>															
Acapella Foods And Restaurants Private Limited	4.09	-	-	-	-	-	-	-	-	-	-	-	-	-	4.09
<b>Total</b>	4.09	-	-	-	-	-	-	-	-	-	-	-	-	-	4.09
<b>Loan/Advances payable</b>															
Jakari Developers Private Limited	200.00	-	-	-	-	-	-	-	-	-	-	-	-	-	200.00
Casby Global Air Private Limited	25.00	25.00	-	-	-	-	-	-	-	-	-	-	-	-	25.00
<b>Total</b>	225.00	25.00	-	-	-	-	-	-	-	-	-	-	-	-	225.00
<b>Outstanding Payable</b>															
Mr. Amritpal Singh Bindra	-	-	-	-	-	-	4,680.50	6,730.50	-	-	-	-	-	-	4,680.50
<b>Total</b>	-	-	-	-	-	-	4,680.50	6,730.50	-	-	-	-	-	-	4,680.50
<b>Market Link Debentures (MLD) Payable</b>															
Mrs. Mahakshurshid Byramjee	-	-	310.00	480.00	-	-	-	-	-	-	-	-	-	-	310.00
Jakari Developers Private Limited	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
<b>Total</b>	100.00	-	310.00	480.00	-	-	-	-	-	-	-	-	-	-	410.00

**44.3** The Company had contracted to buy 23,69,207 equity shares of Centrum Retail Services Limited (a subsidiary of the Company) for ₹ 8,004 lakhs from non-controlling interest shareholders post receipt of approval from the shareholders in July 2019. Pursuant to this, during the previous year company has purchased balance 18,29,446 equity shares of Centrum Retail Services Limited for a consideration of ₹ 6,180.50 lakhs.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 45 : SEGMENT INFORMATION

The Group has made its consolidated segment reporting to meaningfully represent its business lines. Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment. Group's operations are mainly conducted in India. The Group has a subsidiary in Hong Kong & Singapore each and the commercial risks and returns involved on the basis of geographic segmentation are relatively insignificant. Thus, secondary segment disclosures based on geographic segments have not been made.

The operating segments are the segments for which separate financial information is available and for which operating profit/ loss amounts are evaluated regularly by the Chief Operating Decision Maker, (CODM).

The Group's business is organized and management reviews the performance based on the primary business segments as mentioned below:

1. Banking Business
2. Institutional Business consists mainly of Investment Banking, Trading in Bonds, Institutional Broking Activity & Investment Advisory Services thereby earning transaction based fees.
3. Wealth Management & Distribution comprises of Portfolio Management and Wealth Management and Retail Broking Activity.
4. Housing Finance Business
5. SME / Micro Credit Lending Business

Segment wise details are given below

Particulars	(₹ in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>1 Segment revenue [Total income]</b>		
Banking Business	78,526.02	15,876.56
Institutional Business	7,305.53	8,204.60
Wealth Management & Distribution	22,953.03	21,986.71
Housing Finance	9,271.84	6,999.18
SME/ Micro credit Lending	-	12,712.82
Unallocated	19,026.60	14,504.43
Less : Elimination	(6,077.12)	(10,831.08)
<b>Total Income</b>	<b>1,31,005.90</b>	<b>69,453.22</b>
<b>2 Segment Results [Profit/ (Loss) before tax]</b>		
Banking Business	(11,453.33)	(7,923.92)
Institutional Business	(3,064.80)	(566.09)
Wealth Management & Distribution	5,662.35	5,058.62
Housing Finance	1,236.47	1,823.33
SME/ Micro credit lending	-	(522.93)
Unallocated	852.96	(5,455.05)
Less : Elimination	(90.61)	(2,433.66)
Profit / (Loss) before tax	(6,856.96)	(10,019.70)
Less :		
a) Interest (Income)/expense (net)	13,224.45	9,555.77
b) Unallocated (Income)/expenditure (net)	(2,216.96)	(1,143.59)



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 45 : SEGMENT INFORMATION** (Contd..)

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Total Profit before exceptional item and tax	(17,864.45)	(18,431.88)
Exceptional Items	-	-
<b>Total Profit / (Loss) before tax</b>	<b>(17,864.45)</b>	<b>(18,431.88)</b>
<b>3 Segment Assets</b>		
Banking Business	9,23,840.30	10,74,863.20
Institutional Business	4,712.82	3,367.10
Wealth Management & Distribution	23,779.31	16,596.48
Housing Finance	1,21,600.90	69,596.49
SME/ Micro credit Lending	-	-
Unallocated	2,83,848.15	2,48,759.53
Less : Elimination	(1,83,745.80)	(1,63,671.93)
<b>Total Assets</b>	<b>11,74,035.68</b>	<b>12,49,510.87</b>
<b>4 Segment Liabilities</b>		
Banking Business	7,52,938.66	8,99,057.38
Institutional Business	3,273.09	789.56
Wealth Management & Distribution	16,049.31	15,086.73
Housing Finance	78,454.62	27,933.67
SME/ Micro credit lending	-	-
Unallocated	1,73,426.24	1,28,253.08
Less : Elimination	(37,699.47)	(20,554.56)
<b>Total Liabilities</b>	<b>9,86,442.45</b>	<b>10,50,565.86</b>
<b>5 Capital employed [Segment assets - Segment liabilities]</b>		
Banking Business	1,70,901.64	1,75,805.82
Institutional Business	1,439.73	2,577.53
Wealth Management & Distribution	7,729.99	1,509.75
Housing Finance	43,146.28	41,662.81
SME/ Micro credit lending	-	-
Unallocated	1,10,422.00	1,20,506.46
Less : Elimination	(1,46,046.33)	(1,43,117.37)
<b>Total Capital Employed</b>	<b>1,87,593.31</b>	<b>1,98,945.00</b>

Items that relate to the company as a whole or at the corporate level not attributable to particular segment are captured in 'Unallocated'

Segment data for previous financial period has been reclassified to conform to current financial period's presentation.

**Note 46: EMPLOYEE BENEFITS PLANS****46.1 Defined contribution plans**

A defined contribution plan is a pension plan under which the Group pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Group in a fund under the control of trustees. The Group makes Provident Fund and Employee State Insurance Scheme (ESIC) contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 46: EMPLOYEE BENEFITS PLANS (Contd..)

The Group 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. The contributions payable to these plans by the Group are at rates specified in the rules of the Schemes:

Particulars	(₹ in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Provident fund	1,614.10	1,047.24
ESIC	0.57	1.28
Pension fund	34.66	26.12

#### 46.2 Defined benefit plans

The Group has a defined benefit gratuity plan in India (funded). The Group'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:

#### Net assets/(liability) recognised in the Balance Sheet

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	(5,229.40)	(5,382.95)
Fair value of plan assets	3,543.76	3,920.68
<b>Defined Benefit obligation asset/(liability)</b>	<b>(1,685.64)</b>	<b>(1,462.26)</b>

#### Net benefit expense recognised in statement of profit and loss

Particulars	(₹ in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	422.42	205.75
Past service cost	(0.82)	
Net Interest on net defined benefit liability/ (asset)	92.21	50.58
Remeasurements of Other long term benefits		
<b>Net benefit expense</b>	<b>513.81</b>	<b>256.33</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 46: EMPLOYEE BENEFITS PLANS (Contd..)

#### Remeasurement gain/ (loss) in other comprehensive income (OCI)

Particulars	(₹ in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Re-measurements on defined benefit obligation		
Actuarial gain/(loss) arising from changes in demographic assumptions	(162.45)	151.31
Actuarial gain/(loss) arising from changes in financial assumptions	(29.42)	357.14
Actuarial gain/(loss) arising from experience over the past years	80.87	42.92
<b>Re-measurements on plan assets</b>		
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	4.90	61.45
<b>Actuarial gain /(loss) (through OCI)</b>	<b>(106.10)</b>	<b>612.82</b>

#### Details of changes in present value of defined benefit obligations are as follows:

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation at the beginning of the year	5,384.13	1,164.79
Current service cost	422.42	205.75
Past service cost		
Interest cost on benefit obligations	318.99	165.46
Re-measurements:		
a. Actuarial gain/(loss) arising from changes in demographic assumptions	13.55	151.42
b. Actuarial loss/ (gain) arising from changes in financial assumptions	(294.98)	373.62
c. Actuarial loss/ (gain) arising from experience over the past years	87.50	19.59
Return on plan assets excluding amounts included in interest expense/income	38.31	(1.64)
Benefits paid	(86.98)	(112.76)
Net transfer in / (out) (Including the effect of any business combinations/ divestures)	(652.95)	3,417.31
<b>Present value of defined benefit obligation at the end of the year</b>	<b>5,229.99</b>	<b>5,383.54</b>

#### Details of changes in fair value of plan assets are as follows: -

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	3,921.79	712.16
Interest income on plan assets	242.79	132.13
Employer contributions	187.59	70.49
Benefits paid	(853.03)	(84.49)
Re-measurements:		
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(4.90)	(64.78)

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 46: EMPLOYEE BENEFITS PLANS (Contd..)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Less/Add: Balance transferred through slump sale	49.53	3,155.17
<b>Fair value of plan assets as at the end of the year</b>	<b>3,543.77</b>	<b>3,920.68</b>

### 46.3 Defined benefit plans assets-

(₹ in lakhs)

Category of assets (% allocation)	As at March 31, 2023	As at March 31, 2022
- Government securities	-	-
- Insurance fund	3,414.83	3,818.20
- Debentures / bonds	128.93	102.48
- Equity shares	-	-
<b>Total</b>	<b>3,543.77</b>	<b>3,920.68</b>

### 46.4 The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:-

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Expected Return on Plan assets	7.46%	6.70%
Rate of discounting	7.46%	6.70%
Rate of salary increase	10.00%	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.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 46: EMPLOYEE BENEFITS PLANS** (Contd..)**46.5 Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as follows**

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
One percentage point increase in discount rate	(160.88)	(163.48)
One percentage point decrease in discount rate	175.11	200.22
One percentage point increase in Salary growth rate	142.26	167.29
One percentage point decrease in Salary growth rate	(138.15)	(140.42)
One percentage point increase in Employee Turnover rate	2.29	(8.13)
One percentage point decrease in Employee Turnover rate	(3.12)	5.54

The above sensitivity analysis 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.

**46.6 Maturity profile of defined benefit obligation are as follows**

(₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1 <sup>st</sup> Following Year	1,309.45	1,136.50
2 <sup>nd</sup> Following Year	817.20	883.33
3 <sup>rd</sup> Following Year	747.35	712.39
4 <sup>th</sup> Following Year	627.32	631.28
5 <sup>th</sup> Following Year	765.02	522.54
Sum of Years 6 to 10	2,069.46	1,364.06
Sum of Years 11 and above	730.47	847.17

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 47 CONTINGENT LIABILITIES, COMMITMENTS

### 47.1 Contingent Liabilities

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Claims against Group not acknowledge as debt	678.27	638.51
Guarantees given on behalf of constituents- in India	2,781.51	1,474.93
Income tax demands disputed in appeal*	370.67	86.90
Intercorporate borrowings written back	161.34	164.34
Others	2,558.20	2,643.93

### 47.2 Commitments not provided for

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account (net of advance)	1,767.42	-
Commitments related to loans sanctioned but undrawn	9,416.07	2,957.37

\*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 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.

## Note 48 : CAPITAL MANAGEMENT

The Group manages the capital structure by a balanced mix of debt and equity. The Group's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The Group maintains sound capitalisation both from an economic and regulatory perspective. The Group continuously monitors and adjusts overall capital demand and supply in an effort to achieve an appropriate balance of the economic and regulatory considerations at all times and from all perspectives. These perspectives include specific capital requirements from rating agencies.

Capital structure includes infusion in the form of equity and structured debt from strategic business partners in certain of Group's subsidiaries to fund expansion and assist in achieving expected growth in the competitive market. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2023 and 31 March 2022

This framework is adjusted based on underlying the macro-economic factors affecting business environment, financial market conditions and interest rates environment. Group monitors capital using debt-equity ratio, which is total debt divided by total equity.

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Total Debt	7,64,827.93	8,52,590.34
Equity	1,87,593.43	1,98,945.00
<b>Net Debt to Equity</b>	<b>4.08</b>	<b>4.29</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 49: GOODWILL

### 49.1 Goodwill on consolidation

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	4,779.42	4,779.42
Goodwill arising on acquisitions	-	-
Goodwill derecognised on loss of control	-	-
<b>Balance at the end of the year</b>	<b>4,779.42</b>	<b>4,779.42</b>

### 49.2 Goodwill

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year*	-	3,943.37
Goodwill arising on acquisitions (Refer note 50)	382.00	3,539.50
Goodwill impaired	-	(7482.87)
<b>Balance at the end of the year</b>	<b>382.00</b>	<b>-</b>

## Note 50: BUSINESS COMBINATION

During the year, Centrum Housing Finance Limited have entered into a Business Transfer Agreement (BTA) on December 3, 2022, for acquisition of housing finance business of National Trust Housing Finance Limited (Natrust) which was subsequently amended by an agreement dated February 27, 2023 Amendment Agreement). 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 (Closing Date). This acquisition enabled the Company to geographically diversify and enter into 4 states in the southern part of India through inorganic growth.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Cash paid: ₹ 12,625 lakh

Amount held back (to be released subsequent to satisfaction of relevant conditions precedents and closing actions): ₹ 875 lakh

Total purchase consideration: ₹ 13,500 lakh

Acquisition-related costs of ₹ 21.03 lakh are treated as expense.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 50: BUSINESS COMBINATION (Contd..)

The fair value of assets and liabilities recognised as a result of the acquisition are as follows:

	(₹ in lakhs)
<b>Assets /Liabilities</b>	<b>Fair Value</b>
<b>Assets Acquired</b>	
<b>Financial Assets</b>	
Cash and Cash equivalents and Bank Balances	1,455.00
Loans	30,387.00
Receivables	77.00
Other Financial Assets	1.00
<b>Non-Financial Assets</b>	
Plant, Property and Equipment	91.00
Other Non- Financial Assets	8.00
<b>Total (A)</b>	<b>32,019.00</b>
<b>Liabilities Acquired</b>	
<b>Financial Liabilities</b>	
Trade Payables	28.00
Borrowings	17,679.00
Other Financial Liabilities	276.00
<b>Non-Financial Liabilities</b>	
Provisions	64.00
Deferred tax liabilities (net)	832.00
Other Non-Financial Liabilities	22.00
<b>Total (B)</b>	<b>18,901.00</b>
<b>Net Assets Acquired (C = A-B)</b>	<b>13,118.00</b>
<b>Purchase Consideration (D)</b>	<b>13,500.00</b>
<b>Goodwill (E = D-C)</b>	<b>382.00</b>

The goodwill is attributable to the benefit of existing branches, workforce, existing loan portfolio of the acquired business, revenue growth and future market development in these geographies. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. Goodwill arising on this acquisition will not be deductible for tax purposes.

### (ii) Acquired receivables

The fair value of acquired trade receivables is ₹ 31,851 lakh. The gross contractual amount for trade receivables is ₹ 29,251 lakh

### (iii) Revenue and profit contribution

The acquired business contributed revenue and profits to the Company for the period ending March 31, 2023 as follows:

(a) Revenue of ₹ 372 lakh for the period March 1, 2023 to March 31, 2023.

(b) Profit of ₹ 304 lakh for the period March 1, 2023 to March 31, 2023.

If the acquisition had occurred on April 1, 2022 consolidated pro-forma revenue and profit for the year ended March 31, 2023 would be impracticable to determine as the disbursements in that case would be indeterminable.



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 51: 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 lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	59,863.76	-	59,863.76	4,39,877.04	-	4,39,877.04
Bank balance other than cash and cash equivalents above	16,098.08	2,055.93	18,154.01	20,793.48	2,358.36	23,151.84
Derivative Financial Instruments	455.89	-	455.89	1,038.08	364.66	1,402.74
Trade Receivables	3,201.06	-	3,201.06	3,459.89	-	3,459.89
Loans	2,21,231.21	4,62,327.16	6,83,558.37	2,99,879.74	57,375.10	3,57,254.84
Investments	1,83,662.07	68,051.33	2,51,713.40	1,04,740.29	1,81,996.79	2,86,737.08
Other financial assets	3,075.39	2,945.63	6,021.02	4,181.17	770.78	4,951.95
<b>Non-financial assets</b>						
Current tax assets (net)	-	2,044.81	2,044.81	-	3,428.58	3,428.58
Deferred tax assets (net)	-	78,812.18	78,812.18	-	78,565.99	78,565.99
Investment property	-	-	-	-	-	-
Property, plant and equipment	-	32,766.37	32,766.37	-	31,606.14	31,606.14
Capital work-in-progress	-	337.81	337.81	-	21.43	21.43
Right-of-use-assets	-	11,699.92	11,699.92	-	3,019.14	3,019.14
Other intangible assets	-	1,404.44	1,404.44	-	1,127.28	1,127.28
Intangible assets under development	-	207.25	207.25	-	-	-
Goodwill on consolidation	-	4,779.42	4,779.42	-	4,779.42	4,779.42
Goodwill	-	382.00	382.00	-	-	-
Assets held for sale	851.62	-	851.62	318.50	-	318.50
Other non-financial assets	7,036.11	10,746.25	17,782.36	9,479.50	329.49	9,808.99
<b>Total assets</b>	<b>4,95,475.19</b>	<b>6,78,560.50</b>	<b>11,74,035.69</b>	<b>8,83,767.69</b>	<b>3,65,743.16</b>	<b>12,49,510.85</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 51: MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd..)

(₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Derivative financial instruments	5,438.52	32,771.06	38,209.58	9,961.59	23,193.61	33,155.20
Trade payables						
(i) total outstanding dues of micro and small enterprises	0.02	-	0.02	-	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises	14,749.01	-	14,749.01	11,298.36	-	11,298.36
Other Payables						
(i) total outstanding dues of micro and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises	4,680.50	-	4,680.50	6,740.50	-	6,740.50
Debt securities	19,083.64	89,794.38	1,08,878.02	76,111.98	66,218.75	1,42,330.73
Borrowings (other than debt securities)	88,998.07	67,448.83	1,56,446.90	38,249.11	46,991.97	85,241.08
Deposits	93,132.60	1,70,025.61	2,63,158.21	39,495.00	3,44,295.95	3,83,790.95
Subordinated liabilities	-	-	-	-	-	-
Other financial liabilities	30,814.19	3,29,799.69	3,60,613.88	3,49,145.65	6,969.99	3,56,115.64
<b>Non-financial Liabilities</b>						
Provisions	2,134.27	28,101.43	30,235.70	28,533.78	694.87	29,228.65
Other non-financial liabilities	9,324.84	146.07	9,470.91	2,664.75	-	2,664.75
<b>Total liabilities</b>	<b>2,68,355.66</b>	<b>7,18,087.07</b>	<b>9,86,442.73</b>	<b>5,62,200.72</b>	<b>4,88,365.14</b>	<b>10,50,565.86</b>
<b>Net Assets</b>	<b>2,27,119.53</b>	<b>(39,526.57)</b>	<b>1,87,592.96</b>	<b>3,21,566.96</b>	<b>(1,22,621.98)</b>	<b>1,98,944.99</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 52: CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	(₹ in lakhs)			
	As at April 1, 2022	Cash flows (net)	Others	As at March 31, 2023
Debt securities including accrued interest thereon	1,51,152.50	(38,099.56)	13,373.33	1,26,426.27
Borrowings other than debt securities including accrued interest thereon	85,591.05	62,855.85	8,504.59	1,56,951.48
Deposits	3,83,790.95	(1,20,632.74)	-	2,63,158.21
<b>Total liabilities from financing activities</b>	<b>6,20,534.50</b>	<b>(95,876.45)</b>	<b>21,877.92</b>	<b>5,46,535.98</b>

(Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.)

Particulars	(₹ in lakhs)			
	As at April 1, 2021	Cash flows (net)	Others	As at March 31, 2022
Debt securities including accrued interest thereon	1,39,257.26	11,864.11	31.13	1,51,152.50
Borrowings other than debt securities including accrued interest thereon	66,168.39	19,532.76	(110.11)	85,591.05
Deposits	-	3,83,790.95	-	3,83,790.95
<b>Total liabilities from financing activities</b>	<b>2,05,425.65</b>	<b>4,15,187.82</b>	<b>(78.98)</b>	<b>6,20,534.50</b>

Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 53: LEASES

Payments associated with short-term leases are recognised on a straight-line basis as an expense in the statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less.

Following are the changes in the carrying value of Right-of-Use assets

Particulars	Category of Right-of-Use asset		(₹ in lakhs)
	Vehicle	Office premises	Total
<b>Gross carrying amount</b>			
As at April 01, 2021	31.25	4,115.49	4,146.74
Additions	-	2,578.96	2,578.96
Disposals and transfers	(0.95)	(79.92)	(80.87)
<b>Closing gross carrying amount</b>	<b>30.30</b>	<b>6,614.53</b>	<b>6,644.83</b>
<b>Accumulated depreciation</b>			
As at April 01, 2021	27.52	2,487.68	2,515.20
Depreciation charge during the year	3.07	1,123.31	1,126.38
Disposals and transfers	(0.29)	(15.60)	(15.89)
<b>Closing accumulated depreciation</b>	<b>30.30</b>	<b>3,595.39</b>	<b>3,625.69</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>0.00</b>	<b>3,019.14</b>	<b>3,019.14</b>
<b>Gross carrying amount</b>			
As at April 01, 2022	30.30	6,614.53	6,644.83
Additions	305.27	10,131.25	10,436.52
Disposals and transfers	-	(91.63)	(91.63)
<b>Closing gross carrying amount</b>	<b>335.57</b>	<b>16,654.16</b>	<b>16,989.72</b>
<b>Accumulated depreciation</b>			
As at April 01, 2022	30.30	3,595.39	3,625.69
Depreciation charge during the year	51.73	1,666.47	1,718.20
Disposals and transfers	-	(54.09)	(54.09)
<b>Closing accumulated depreciation</b>	<b>82.03</b>	<b>5,207.77</b>	<b>5,289.80</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>253.54</b>	<b>11,446.39</b>	<b>11,699.92</b>

The aggregate depreciation expense on Right-of-Use 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	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Balance as at beginning</b>	3,600.10	1,844.61
Additions	10,436.52	2,578.96
Finance cost accrued during the period	562.96	180.71
Deletions	(647.76)	(134.21)
Payment of lease liabilities	(1,847.12)	(869.97)
<b>Balance as at end</b>	<b>12,104.69</b>	<b>3,600.10</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 53: LEASES (Contd..)

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

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
upto 3 months	874.59	775.28
3 to 6 months	876.64	299.00
6 to 12 months	1,749.60	598.18
1 year to 3 year	8,977.14	1,495.08
More than 3 years	4,758.07	1,004.56
<b>Total</b>	<b>17,236.04</b>	<b>4,172.10</b>

The Group 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

Rental expense recorded for short-term leases was ₹ 2,631.59 lakhs and ₹ 789.88 lakhs for the year ended March 31, 2023 and March 31, 2022 respectively. There are no rental expense recorded for low-value assets or for any of variable lease payments for any of the reporting year.

### Note 54: DISCLOSURE WITH REGARD TO DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES

The details of amounts outstanding together with interest paid /payable to Micro and Small enterprises based on information available with the group is as under:

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount remaining unpaid to supplier as at the end of the year	0.02	-
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
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 the Micro, Small and Medium Enterprise Development Act, 2006	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
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	-	-

Based on the information available with the Group and has been relied upon by the auditors, none of the suppliers have confirmed to be registered under " Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006" except for mentioned above

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 55 :** During the year, Modulus Alternatives Investment Managers Limited (formerly Centrum Alternative Investment Managers Limited) a subsidiary of the Company has incurred loss of ₹ 42.92 lakhs and further Company has accumulated losses of ₹ 1075.86 lakhs as at March 31, 2023 (previous year ₹ 1032.94 lakhs) and at the end of the financial year, the net worth of the Company remains fully eroded. The financial statements are prepared on going concern basis as based on the projected operations and the Company's marketing efforts, the Company expects to generate adequate surplus in the future and consequently does not foresee any difficulty in settling its liabilities as and when they arise. Further, the shareholders continue to support the Company in its operations and financial management.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 56: ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY OR ASSOCIATES**

Name of the Enterprises	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (In Lakhs)	As % of consolidated profit or loss	Amount (In Lakhs)	As % of consolidated other comprehensive income	Amount (In Lakhs)	As % of consolidated comprehensive income	Amount (In Lakhs)
<b>Parent</b>								
Centrum Capital Limited	23.51%	44,109.97	39.56%	(7,237.49)	0.24%	0.19	39.73%	(7,237.30)
<b>Subsidiaries</b>								
<b>Indian</b>								
Centrum Retail Services Limited	18.64%	34,972.10	(25.11)%	4,594.03	4.07%	3.13	(25.24)%	4,597.16
Centrum Financial Services Limited	15.81%	29,658.58	0.55%	(100.20)	0.00%	0.00	0.55%	(100.20)
Ignis Capital Advisors Limited	0.00%	0.49	0.01%	(2.45)	1.95%	1.50	0.01%	(0.95)
Centrum Broking Limited	1.71%	3,217.02	2.14%	(391.21)	(4.98)%	(3.83)	2.17%	(395.04)
Centrum Housing Finance Limited	23.00%	43,146.28	(6.52)%	1,193.00	(1.52)%	(1.17)	(6.54)%	1,191.83
Centrum Alternatives LLP	0.02%	44.60	0.06%	(11.60)	0.00%	0.00	0.06%	(11.60)
Modulus Alternatives Investment Managers Limited	(0.55)%	(1,024.87)	0.22%	(40.62)	(2.99)%	(2.30)	0.24%	(42.92)
(Formally known as Centrum Alternative Investment Managers Limited)								
Centrum Capital Advisors Limited	0.05%	87.17	(0.15)%	26.82	0.00%	0.00	(0.15)%	26.82
<b>Foreign</b>								
Centrum International Service PTE Limited	0.11%	207.35	0.46%	(83.80)	(8.46)%	(6.51)	0.50%	(90.31)
Centrum Capital International Limited	0.19%	365.13	0.38%	(68.61)	(0.01)%	(0.01)	0.38%	(68.62)

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Name of the Enterprises	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (In Lakhs)	As % of consolidated profit or loss	Amount (In Lakhs)	As % of consolidated other comprehensive income	Amount (In Lakhs)	As % of consolidated total comprehensive income	Amount (In Lakhs)
<b>Step Down Subsidiaries</b>								
<b>Indian</b>								
Unity Small Finance Bank Limited	91.10%	1,70,901.62	59.16%	(10,822.97)	162.78%	125.23	58.72%	(10,697.74)
Centrum Insurance Brokers Limited	0.55%	1,026.36	(0.01)%	1.28	0.76%	0.59	(0.01)%	1.86
Centrum Wealth Limited	3.34%	6,260.04	(25.12)%	4,595.62	(56.72)%	(43.63)	(24.99)%	4,551.99
Centrum Investment Advisors Limited	0.36%	667.90	(0.17)%	31.67	4.88%	3.75	(0.19)%	35.43
Non-Controlling Interests	(68.37)%	(1,28,253.09)	18.12%	(3,315.22)	62.64%	48.19	17.93%	(3,267.03)
Adjustments arising out of consolidations	(9.49)%	(17,793.24)	36.42%	(6,662.11)	(62.66)%	(48.20)	36.84%	(6,710.31)
<b>Total Net Assets/Net Profit/(Loss) of Group</b>	<b>100%</b>	<b>1,87,593.43</b>	<b>100%</b>	<b>(18,293.87)</b>	<b>100%</b>	<b>76.93</b>	<b>100%</b>	<b>(18,216.94)</b>



# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 57 : COMPOSITION OF THE GROUP

The subsidiary companies, and associates considered in the presentation of the Consolidated Financial Statements are:

(₹ in lakhs)

Sr. No	Particulars	Country of Incorporation	Proportion of ownership / interest as at March 31, 2023	Proportion of ownership / interest as at March 31, 2022
<b>a) Subsidiaries</b>				
1	Centrum Retail Services Limited	India	100%	100%
2	Centrum Broking Limited	India	100%	100%
3	Centrum Housing Finance Limited	India	56.39%	56.39%
4	Centrum International Services PTE Limited	Singapore	100%	100%
5	Centrum Alternatives LLP	India	100%	100%
6	Centrum Capital International Limited	Hong Kong	100%	100%
7	Modulus Alternatives Investment Managers Limited (formerly Centrum Alternative Investment Managers Limited)	India	100%	100%
8	Centrum Financial Services Limited	India	100%	100%
9	Ignis Capital Advisors Limited	India	100%	100%
10	Centrum Capital Advisors Limited	India	100%	100%
<b>b) Step down Subsidiaries</b>				
11	Unity Small Finance Bank Limited	India	51%	51%
12	Centrum Insurance Brokers Limited	India	100.00%	100.00%
13	Centrum Investment Advisors Limited	India	68.28%	84.00%
14	Centrum Wealth Limited	India	68.28%	68.63%
15	CCAL Investment Management Limited	Mauritius	100%	100%
<b>c) Associate</b>				
16	Acorn Fund Consultants Private Limited	India	49.00%	49.66%

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 58 : FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

#### 58.1 Financial Instrument by Category

Particulars	As at March 31, 2023					As at March 31, 2022				
	FVTPL	FVOCI	Amortised Cost	Others*	Total	FVTPL	FVOCI	Amortised Cost	Others*	Total
<b>Financial Asset</b>										
Cash and cash equivalents	-	-	59,863.76	-	59,863.76	-	-	4,43,535.98	-	4,43,535.98
Bank balance other than cash and cash equivalents above	-	-	18,154.01	-	18,154.01	-	-	19,492.90	-	19,492.90
Derivative financial instruments	455.89	-	-	-	455.89	1,402.74	-	-	-	1,402.74
Trade receivables	-	-	3,201.06	-	3,201.06	-	-	3,459.89	-	3,459.89
Loans	-	-	6,83,558.37	-	6,83,558.37	-	-	3,57,254.85	-	3,57,254.85
Investments										
- Other equity investments	1,709.57	-	-	-	1,709.57	770.87	-	-	-	770.87
- Units of Mutual funds	901.76	-	-	-	901.76	3,477.86	-	-	-	3,477.86
- Government and corporate securities	3,467.63	47,933.36	1,05,588.12	-	1,56,989.11	1,293.86	2,37,118.32	39,304.32	-	2,77,716.50
- Debt securities	-	39,819.34	50,240.78	-	90,060.12	-	1,229.37	1,943.95	-	3,173.32
- Preference shares	566.01	-	-	-	566.01	635.54	-	-	-	635.54
- Units of private equity	1,486.82	-	-	-	1,486.82	1,228.69	-	-	-	1,228.69
Other financial assets	-	-	6,021.02	-	6,021.02	-	-	4,951.95	-	4,951.95
<b>Total Financial Assets</b>	<b>8,587.68</b>	<b>87,752.70</b>	<b>9,26,627.11</b>	<b>-</b>	<b>10,22,967.50</b>	<b>8,809.56</b>	<b>2,38,347.69</b>	<b>8,69,943.85</b>	<b>-</b>	<b>11,17,101.09</b>
Financial Liability										
Derivative financial instruments	38,209.58	-	-	-	38,209.58	33,155.20	-	-	-	33,155.20
Trade payables	-	-	14,749.04	-	14,749.04	-	-	11,298.36	-	11,298.36
Other payable	-	-	4,680.50	-	4,680.50	-	-	6,740.50	-	6,740.50
Debt securities including accrued interest	-	-	1,08,878.02	-	1,08,878.02	-	-	1,42,330.73	-	1,42,330.73
Borrowings (other than debt securities) including accrued interest	-	-	1,56,446.90	-	1,56,446.90	-	-	85,241.08	-	85,241.08
Deposits	-	-	2,63,158.21	-	2,63,158.21	-	-	3,83,790.95	-	3,83,790.95
<b>Other financial liabilities</b>	<b>-</b>	<b>-</b>	<b>3,60,613.88</b>	<b>-</b>	<b>3,60,613.88</b>	<b>-</b>	<b>-</b>	<b>3,56,115.64</b>	<b>-</b>	<b>3,56,115.64</b>
<b>Total Financial Liabilities</b>	<b>38,209.58</b>	<b>-</b>	<b>9,08,526.54</b>	<b>-</b>	<b>9,46,736.12</b>	<b>33,155.20</b>	<b>-</b>	<b>9,85,517.27</b>	<b>-</b>	<b>10,18,672.46</b>

\* Investment in subsidiaries and associate are measured at cost in accordance with Ind AS 27, Separate Financial Statements.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### 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

(₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022			Total
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
<b>Financial assets:-</b>							
<b>Financial assets measured at FVTPL</b>							
Derivative financial instruments	455.89	-	-	1,402.74	-	-	1,402.74
<b>Financial investments measured at FVTPL</b>							
- Other equity investments	1,709.57	-	-	770.87	-	-	770.87
- Units of Mutual funds	901.76	-	-	3,477.86	-	-	3,477.86
- Government and corporate securities	3,467.63	-	-	1,293.86	-	-	1,293.86
- Preference shares	-	-	566.01	-	-	635.54	635.54
- Units of private equity	-	-	1,486.82	-	-	1,228.69	1,228.69
<b>Financial investments measured at FVOCI</b>							
- Government and corporate securities	47,933.36	-	-	2,37,118.32	-	-	2,37,118.32
- Debt securities	39,819.34	-	-	1,229.37	-	-	1,229.37
<b>Total Financial Assets</b>	<b>94,287.55</b>	<b>-</b>	<b>2,052.84</b>	<b>2,45,293.01</b>	<b>-</b>	<b>1,864.23</b>	<b>2,47,157.25</b>
<b>Financial Liabilities:-</b>							
<b>Financial Liabilities measured at FVTPL</b>							
Embedded derivatives on redeemable market linked debentures	-	38,209.58	-	-	33,155.20	-	33,155.20
<b>Total Financial Liabilities</b>	<b>-</b>	<b>38,209.58</b>	<b>-</b>	<b>-</b>	<b>33,155.20</b>	<b>-</b>	<b>33,155.20</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 58: FAIR VALUE MEASUREMENT (Contd..)

### 58.2 Financial assets and liabilities measured at amortised cost for which fair value is disclosed

(₹ in lakhs)

Particulars	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>					
Cash and cash equivalents	Level 2	59,863.76	59,863.76	4,43,535.98	4,43,535.98
Bank balances other than cash and cash equivalents, above	Level 2	18,154.01	18,154.01	19,492.90	19,492.90
Trade Receivables	Level 2	3,201.06	3,201.06	3,459.89	3,459.89
Loans	Level 3	6,83,558.37	6,83,558.37	3,57,254.85	3,57,254.85
Investments					
- Government and corporate securities	Level 3	1,05,588.12	1,05,588.12	2,37,118.32	2,37,118.32
- Debt securities	Level 3	50,240.78	50,240.78	1,229.37	1,229.37
Other financial assets	Level 3	6,021.02	6,021.02	4,951.95	4,951.95
<b>Financial liabilities</b>					
Trade payable	Level 2	14,749.04	14,749.04	11,298.36	11,298.36
Other payable	Level 2	4,680.50	4,680.50	6,740.50	6,740.50
Debt securities	Level 2	1,08,878.02	1,08,878.02	1,42,330.73	1,42,330.73
Borrowings (other than debt securities)	Level 2	1,56,446.90	1,56,446.90	85,241.08	85,241.08
Deposits	Level 2	2,63,158.21	2,63,158.21	3,83,790.95	3,83,790.95
Interest accrued on borrowings (other than debt instruments)	Level 2	504.58	504.58	349.95	349.95
Interest accrued on debt instruments	Level 2	17,548.25	17,548.25	8,821.78	8,821.78
Unpaid Dividend	Level 2	4.26	4.26	4.26	4.26
Other financial liability	Level 3	3,42,556.79	3,42,556.79	3,46,939.66	3,46,939.66

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.

#### Notes:

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank deposits, trade receivables, loans, other current financial assets, current debt securities, current borrowings and other current financial liabilities. Such amounts have been classified as

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## **Note 58: FAIR VALUE MEASUREMENT** (Contd..)

Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

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

### **58.3 Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for interest rate swaps – the present value of the estimated future cash flows based on observable yield curves
- for foreign currency forwards – present value of future cash flows based on the forward exchange rates at the balance sheet date
- for foreign currency options – option pricing models (eg Black-Scholes model), and
- for other financial instruments – discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities, a contingent consideration receivable and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

### **58.4 Valuation processes**

The finance department of the company includes a team that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO). Discussions of valuation processes and

results are held between the CFO and the valuation team at least once every six months, in line with the company's half-yearly reporting periods.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Discount rates for financial assets and financial liabilities are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk gradings determined by company's internal credit risk management group.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.
- Contingent consideration – expected cash inflows are estimated based on the terms of the sale contract and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the half-yearly valuation discussion between the CFO, Audit Committee and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

### **58.5. Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for the periods ended March 31, 2023 and March 31, 2022:

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 58: FAIR VALUE MEASUREMENT (Contd..)

#### 58.5 Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2023 and March 31, 2022:

Particulars	Unlisted equity shares	Debt instruments	Preference shares	Units of private equity	(₹ in lakhs)
					Total
<b>As at April 1, 2021</b>	-	-	<b>1,837.16</b>	<b>721.33</b>	<b>2,558.49</b>
Acquisitions during the year	-	-	-	327.96	327.96
Disposals/redemption during the year	-	-	-	-	-
Conversions into equity shares during the year	-	-	-	-	-
Gains/(losses) recognised in profit or loss	-	-	(1,201.62)	179.40	(1,022.22)
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-
<b>As at March 31, 2022</b>	-	-	<b>635.54</b>	<b>1,228.69</b>	<b>1,864.23</b>
Acquisitions during the year	-	-	-	-	-
Disposals/redemption during the year	-	-	-	-	-
Conversions into equity shares during the year	-	-	-	-	-
Gains/(losses) recognised in profit or loss	-	-	(69.53)	258.13	188.61
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-
<b>As at March 31, 2023</b>	-	-	<b>566.01</b>	<b>1,486.82</b>	<b>2,052.84</b>

#### 58.6 Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (58.3) above for the valuation techniques adopted.

Particulars	(₹ in lakhs)	
	Fair value as at	
	March 31, 2023	March 31, 2022
Unlisted equity shares	-	-
Debt instruments	-	-
Preference shares	566.01	635.54
Units of private equity	1,486.82	1,228.69

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 59: FINANCIAL RISK MANAGEMENT

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

**This note explains the sources of risk which the Group is exposed to and how the Group 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, derivative financial instruments, financial assets measured at amortized cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit. Further, the companies are actively involved in <ul style="list-style-type: none"> <li>Oversight of the implementation of credit policies</li> <li>Review of the overall portfolio credit performance and establishing guardrails</li> <li>Review of product programs</li> </ul>
Liquidity risk	Debts, 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 positions. 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 - foreign exchange	Future commercial transactions	Cash flow forecasting	Forward foreign exchange contracts
	Recognised financial assets and liabilities not denominated in Indian rupee(INR)	Sensitivity analysis	Foreign currency options
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Review of cost of funds and pricing disbursement and Interest rate swaps
Market risk - Index linked	Market linked debentures.	Sensitivity analysis	Purchased options to hedge the risk arising out of movement in the NIFTY level.
Market risk - security prices	Investments in Mutual funds, Investment in Equity	Sensitivity analysis	Portfolio diversification, assessments of fluctuation in the equity price.

The Group's Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors have established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 59: FINANCIAL RISK MANAGEMENT (Contd..)

Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, 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 Group's activities.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. 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 that the Group will incur a loss because its trade receivable fail to discharge their contractual obligations. The Group 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 Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

### i) Credit risk management

Group 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 Group 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 NBFC operates and other macro-economic factors.

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



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 59: FINANCIAL RISK MANAGEMENT (Contd..)

#### ii) Provision for expected credit losses

Group provides for expected credit loss based on following:

Particulars	Description of category	Basis for recognition of expected credit loss provision
		<b>Loans</b>
Stage 1	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil Assets where there is low risk of default and where the counterparty has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	12-month expected credit losses
Stage 2	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counterparty has increased significantly though payments may not be more than 60 days past due	Life-time expected credit losses
Stage 3	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with Group. Group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Credit Loss is recognized on full exposure/ Asset is written off

#### Year ended March 31, 2023

Particulars	Asset group	(₹ in lakhs)	
		Estimated gross carrying amount at default	Expected credit losses
Loss allowance measured at 12 month expected credit losses	Cash and Cash equivalents	59,864.66	0.90
	Trade Receivables	4,249.81	1,048.75
	Loans	6,65,129.67	9,087.93
	Other financial assets	6,206.13	185.12
Loss allowance measured at life-time expected credit losses	Loans	11,630.70	1,166.52
Credit Loss is recognized on full exposure/ Asset is written off	Loans	3,80,562.03	3,63,509.58

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 59: FINANCIAL RISK MANAGEMENT (Contd..)

Year ended March 31, 2022

Particulars	Asset group	(₹ in lakhs)	
		Estimated gross carrying amount at default	Expected credit losses
Loss allowance measured at 12 month expected credit losses	Cash and Cash equivalents	4,40,078.95	201.90
	Trade Receivables	4,640.96	1,181.07
	Loans	3,43,186.39	10,765.23
	Other financial assets	5,393.40	441.45
Loss allowance measured at life-time expected credit losses Credit Loss is recognized on full exposure/ Asset is written off	Loans	6,974.76	261.12
	Loans	3,79,271.10	3,61,151.06

### Collateral held

As of March 31, 2023, the exposure of the Group's loans were in secured as well as unsecured portfolio. The Group provides loans to the MSME other Corporate Segments which are secured as well as unsecured. The Group is also engaged in the business of supply chain finance, the portfolio of which is unsecured.

All borrowers must meet the Group's internal credit assessment procedures, regardless of the nature of the loan. Based on the nature of product and the Group's assessment of the customer's credit risk, a loan may be offered with suitable collateral.

The main types of collateral across various products includes mortgage of residential and commercial properties, Pledge of equity shares and mutual funds and lien on deposits, Plant and Machinery, book debts etc.

The Group periodically monitors the market value of collateral and evaluates its exposure and loan to value metrics for high risk customers. The Group exercises its right of repossession across all secured products. It also resorts to invoking its right under the SARFAESI Act and other judicial remedies available against its mortgages and commercial lending business.

#### a) Cash and cash equivalents

Cash and cash equivalents include balance of ₹ 59,863.76 Lakhs as at 31 March 2023 (2022: ₹ 4,43,535.97 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.

#### b) Loans and advances/ Investments at amortised cost

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 Group are unsecured and are considered to have low credit risk based on credit evaluation undertaken by the Group. There is no history of any defaults on these loans. Since few counter parties are related parties and employees of the Group, the Group regularly monitors to ensure that these entities have enough liquidity which safeguards the interest of the Group. The said loans at amortized cost are considered to have low credit risk, and the loss allowance recognized 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 flows obligations in the near terms

The Group has business in lending towards secured and unsecured loans. Since these loans are majorly to Class II Companies, a general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. During the period, there was no change in the Group's collateral policies.

#### Measurement of Expected Credit Losses

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

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 59: FINANCIAL RISK MANAGEMENT (Contd..)

- (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 amortized cost.

At each reporting date, the 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, the Group uses information that is relevant and available without undue cost or effort. This includes the Group's internal credit rating grading system, external risk ratings and forward looking information to assess deterioration in credit quality of a financial asset.

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 Group 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 Group 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 Group 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.

### 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 Group'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 Group 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.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 59: FINANCIAL RISK MANAGEMENT (Contd..)

### iii) Reconciliation of loss allowance provision

#### For loans

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses	Loss allowance measured at 12 month expected losses	
		Financial assets for which credit risk has increased significantly and not credit impaired	
		Financial assets for which credit risk has increased significantly and credit impaired	
<b>Loss allowance as at April 01, 2021</b>	<b>1,364.88</b>	<b>183.22</b>	<b>1,491.37</b>
Changes in loss allowances due to :			
ECL during the year/ (reversal) net	9,400.35	77.90	3,59,659.69
<b>Loss allowance on 31<sup>st</sup> March, 2022</b>	<b>10,765.23</b>	<b>261.12</b>	<b>3,61,151.06</b>
Changes in loss allowances due to			
ECL during the year/ (reversal) net	(1,677.30)	905.40	2,358.52
<b>Loss allowance on 31<sup>st</sup> March, 2023</b>	<b>9,087.93</b>	<b>1,166.52</b>	<b>3,63,509.58</b>

(₹ in lakhs)

#### Write-offs still under enforcement

Financial assets are written-off when the Group 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. The 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 Group 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 Group assesses and manages credit risk based on movement of borrowers between stages as defined, historical data of the borrowers and forward looking information. The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

#### Forward looking information

Management has assessed the impact of COVID-19 on significant increase in credit risk, impairment loss allowance and impairment on other assets.

#### c) Trade Receivables

Group has established a simplified impairment approach for qualifying trade receivables. For these assets, Group has recognized a loss allowance based on Lifetime ECLs rather than the two step process under the general approach.

#### d) Derivative assets

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

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 59: FINANCIAL RISK MANAGEMENT (Contd..)

(₹ in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Assets
Index derivatives:	404.14	455.89	1,186.38	1,402.74
<b>Total derivative financial instruments (Assets)</b>	<b>404.14</b>	<b>455.89</b>	<b>1,186.38</b>	<b>1,402.74</b>

### 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 amortized 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.

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 Group 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 Group'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 Group (group Group) has been used to compute PD.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 59: FINANCIAL RISK MANAGEMENT (Contd..)

### 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 Group 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 other Financial Assets	For Cash and Cash equivalents
	₹ in lakhs		
<b>Loss allowance on 1 April 2021</b>	<b>845.80</b>	<b>209.78</b>	<b>0.91</b>
Changes in loss allowances due to			
Bad debts written off	-	-	-
Net remeasurement of loss allowance	335.27	231.67	200.99
<b>Loss allowance on 31 March 2022</b>	<b>1,181.07</b>	<b>441.45</b>	<b>201.90</b>
Changes in loss allowances due to			
Bad debts written off	-	-	-

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses		
	For Trade receivables	For other Financial Assets	For Cash and Cash equivalents
	₹ in lakhs		
Net remeasurement of loss allowance	(132.32)	(256.33)	(201.00)
<b>Loss allowance on 31 March 2023</b>	<b>1,048.75</b>	<b>185.12</b>	<b>0.90</b>

### 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 Group 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 Group.

As of 31<sup>st</sup> March 2023, Group 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 Group monitors concentrations of credit risk by sector and by segments. The major portfolio of Group is under Investments. Group regularly track the performance of the investment portfolio as this has high concentration risk.

### b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation. Due to the dynamic nature of the underlying businesses, Group's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 59: FINANCIAL RISK MANAGEMENT** (Contd..)**Financing arrangements**

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

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Undrawn borrowing facilities	4,111.10	3,951.25

**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, 2023**

Particulars	Carrying amount	Gross nominal inflow/ (outflow)	Contractual cash flows				
			upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
<b>Non-derivative financial liabilities</b>							
Debt securities	1,08,878.02	(3,13,942.40)	(10,123.66)	(70.49)	(7,616.75)	(57,809.06)	(2,38,322.44)
Borrowings (other than debt securities)	1,56,446.90	(1,62,509.23)	(51,172.93)	(26,924.39)	(16,172.38)	(34,970.68)	(33,268.85)
Deposits	2,63,158.21	(2,68,462.57)	(38,967.72)	(35,855.58)	(24,018.71)	(1,66,116.11)	(3,504.45)
Other financial liabilities	3,60,613.88	(8,15,092.77)	(5,622.63)	(1,398.75)	(21,415.57)	(49,704.28)	(7,36,951.54)
	<b>8,89,097.01</b>	<b>(15,60,006.97)</b>	<b>(1,05,886.94)</b>	<b>(64,249.21)</b>	<b>(69,223.41)</b>	<b>(3,08,600.13)</b>	<b>(10,12,047.28)</b>
<b>Derivative Financial liabilities</b>							
Derivative Financial Instruments	38,209.75	(62,612.33)	(26,672.33)	(228.11)	(2,940.83)	(30,530.74)	(2,240.32)
<b>Derivative Financial assets</b>							
Derivative Financial Instruments	455.89	455.89	364.98	-	90.91	-	-

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

## Note 59: FINANCIAL RISK MANAGEMENT (Contd..)

As at March 31, 2022

(₹ in lakhs)

Particulars	Carrying amount	Gross nominal inflow/ (outflow)	Contractual cash flows				
			upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
<b>Financial liabilities</b>							
Debt securities	1,42,330.73	(3,81,361.86)	(6,215.38)	(27,118.01)	(32,560.23)	(65,374.87)	(2,50,093.37)
Borrowings (other than debt securities)	85,241.08	(90,617.71)	(13,348.99)	(8,876.63)	(19,869.65)	(26,770.85)	(21,751.59)
Deposits	3,83,790.95	-	(37,915.35)	-	(30.01)	(3,44,169.14)	(126.95)
Other financial liabilities	3,56,115.64	(8,15,092.77)	(5,622.63)	(1,398.75)	(21,415.57)	(49,704.28)	(7,36,951.54)
	<b>9,67,478.40</b>	<b>(12,87,072.34)</b>	<b>(63,102.35)</b>	<b>(37,393.39)</b>	<b>(73,875.46)</b>	<b>(4,86,019.14)</b>	<b>(10,08,923.45)</b>
<b>Derivative financial Liabilities</b>							
Derivative Financial Instruments	33,155.20	(33,155.20)	(1,131.03)	(1,475.42)	(6,806.20)	(16,689.53)	(7,053.02)
<b>Derivative financial assets</b>							
Derivative Financial Instruments	1,402.74	1,402.74	242.23	-	795.85	364.67	-

### 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 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.

### Total market risk exposure

(₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Carrying amount	Traded risk	Non traded risk	Carrying amount	Traded risk	Non traded risk
<b>Assets</b>						
Cash and cash equivalents	59,863.76	-	59,863.76	4,43,535.98	-	4,43,535.98
Bank balance other than cash and cash equivalents above	18,154.01	-	18,154.01	19,492.90	-	19,492.90
Derivative financial instruments	455.89	455.89	-	1,402.74	1,402.74	-
Trade Receivables	3,201.06	-	3,201.06	3,459.89	-	3,459.89
Loans	6,83,558.37	-	6,83,558.37	3,57,254.85	-	3,57,254.85
Investments - at amortised cost	1,55,828.90	-	1,55,828.90	41,228.19	-	41,228.19
Investments - at FVOCI	87,752.70	87,752.70	-	2,38,149.57	2,38,149.57	-
Investments - at FVTPL	8,131.80	8,131.80	-	7,359.32	7,359.32	-
Other financial assets	6,021.02	-	6,021.02	4,951.95	-	4,951.95
<b>Liabilities</b>						



**Notes forming part of the Consolidated Financial Statements**

for the year ended March 31, 2023

**Note 59: FINANCIAL RISK MANAGEMENT** (Contd..)

(₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Carrying amount	Traded risk	Non traded risk	Carrying amount	Traded risk	Non traded risk
Trade payables	14,749.04	-	14,749.04	11,298.36	-	11,298.36
Other payables	4,680.50	-	4,680.50	6,740.50	-	6,740.50
Derivative Financial Instruments	38,209.58	38,209.58	-	33,155.20	33,155.20	-
Debt securities	1,08,878.02	-	1,08,878.02	1,42,330.73	-	1,42,330.73
Borrowings (other than debt securities) including accrued interest	1,56,446.90	-	1,56,446.90	85,241.08	-	85,241.08
Deposits	2,63,158.21	-	2,63,158.21	3,83,790.95	-	3,83,790.95
Other financial liabilities	3,60,613.88	-	3,60,613.88	3,56,115.64	-	3,56,115.64

**i) Price risk**

Price risk exposes the Group 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, 2023			
	Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease
(a) Equity instruments	18.36	(18.36)	-	-
(b) Debt securities	-	-	398.19	(398.19)
(c) Preference shares	5.66	(5.66)	-	-
(d) Units of Mutual funds	9.02	(9.02)	-	-
(e) Government and corporate securities	34.68	(34.68)	481.31	(481.31)
(f) Units of private equity	14.87	(14.87)	-	-
(g) Security Receipts	-	-	-	-
(h) Options(net)	4.56	(4.56)	-	-

(₹ in lakhs)

Particulars	As at March 31, 2022			
	Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease
(a) Equity instruments	7.71	(7.71)	-	-
(b) Debt securities	-	-	12.29	(12.29)
(c) Preference shares	6.36	(6.36)	-	-
(d) Units of Mutual funds	34.78	(34.78)	-	-
(e) Government and corporate securities	12.94	(12.94)	2,371.18	(2,371.18)
(f) Units of private equity	12.29	(12.29)	-	-
(g) Security Receipts	-	-	-	-
(h) Options(net)	14.03	(14.03)	-	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 59: FINANCIAL RISK MANAGEMENT (Contd..)

#### 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 Group's exposures to unhedged foreign currency risk as at the end of reporting periods expressed in INR as follows :

#### a) Trade Receivable

Particulars	(₹ in lakhs)	
	March 31, 2023	March 31, 2022
Trade Receivable	22.41	27.45
	(USD 27,270 @ Closing rate of 1USD = ₹ 82.22)	(USD 36,217 @ Closing rate of 1USD = ₹ 75.81)

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	(₹ in lakhs)	
	Impact on Profit before tax	
	March 31, 2023	March 31, 2022
INR/USD Sensitivity increase by 5%	1.12	1.37
INR/USD Sensitivity decrease by 5%	(1.12)	(1.37)

#### b) Cash and Cash equivalents

Particulars	(₹ in lakhs)	
	March 31, 2023	March 31, 2022
Cash and Cash equivalents		
CY - USD 1635574.57 @ closing rate of USD = INR 82.2169 (PY - USD 1639574.57 @ closing rate 1USD = ₹ 75.81)	1,344.78	1,238.04
CY - GBP 235870.37 @ closing rate of GBP = INR 101.873 (PY - GBP 235870.37 @ closing rate 1GBP = ₹ 99.15)	240.29	233.87
CY - EUR 14031.24 @ closing rate of EUR = INR 89.6076 (PY - EURO 15902.44 @ closing rate 1EURO = ₹ 84.09)	12.57	13.37
<b>Total</b>	<b>1,597.64</b>	<b>1,485.28</b>

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	(₹ in lakhs)	
	Impact on Profit before tax	
	March 31, 2023	
	Sensitivity increase by 5%	Sensitivity decrease by 5%
INR/USD Sensitivity	67.2391	(67.24)
INR/GBP Sensitivity	12.01	(12.01)
INR/EURO Sensitivity	0.63	(0.63)
<b>Total</b>	<b>79.88</b>	<b>(79.88)</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

**Note 59: FINANCIAL RISK MANAGEMENT** (Contd..)**iii) Interest rate risk**

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

The Group'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.

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Variable-rate instruments		
Borrowing	1,42,527.14	75,755.94

**Sensitivity**

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

Particulars	(₹ in lakhs)	
	Impact on profit before tax	
	Year ended March 31, 2023	Year ended March 31, 2022
Interest rates – increase by 100 basis points (100 basis points)*	(1,425.3)	(757.6)
Interest rates – decrease by 100 basis points (100 basis points)*	1,425.3	757.6

\* Holding all other variables constant

**Fair value sensitivity analysis for fixed rate instruments**

The Group'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.

**Note 60: FINANCIAL INFORMATION OF SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTEREST IS PROVIDED BELOW:**

Particulars (As at March 31, 2023)	(₹ in lakhs)		
	UNITY Small Finance Bank Limited	Centrum Housing Finance Limited	Centrum Wealth Limited
Proportion of interest held by non-controlling interests	49.00%	43.61%	31.72%
Accumulated balances of material non-controlling interests			
<b>Summarised Financial information for the Balance Sheet</b>			
Financial assets	7,90,073.44	1,19,557.27	9,031.13
Non-financial assets	1,33,766.86	2,417.50	3,402.91
Financial liabilities	7,18,270.43	78,182.84	3,996.24

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

	(₹ in lakhs)		
Particulars (As at March 31, 2023)	UNITY Small Finance Bank Limited	Centrum Housing Finance Limited	Centrum Wealth Limited
Non-financial liabilities	34,668.25	645.66	2,177.76
Dividend paid to non-controlling interests	Nil	Nil	Nil
<b>Summarised Financial information for the Statement for Profit and Loss</b>			
Revenue from operations	81,591.50	9,476.13	19,062.52
Profit/(Loss) for the year	(10,822.97)	1,193.00	4,595.62
Other Comprehensive Income (OCI)	125.23	(1.17)	(43.63)
Total Comprehensive Income	(10,697.74)	1,191.83	4,551.98
<b>Summarised Financial information for the Cash Flow</b>			
Net cash inflow/(outflow) from Operating activities	(3,77,734.09)	(17,207.06)	4,894.67
Net cash inflow/(outflow) from Investing activities	32,211.65	(10,509.30)	(6,008.26)
Net cash inflow/(outflow) from Financing activities	(38,758.88)	28,841.94	1,035.33
Net cash inflow/(outflow)	(3,84,281.33)	2,580.26	(78.25)

	(₹ in lakhs)		
Particulars (As at March 31, 2022)	UNITY Small Finance Bank Limited	Centrum Housing Finance Limited	Centrum Wealth Limited
Proportion of interest held by non-controlling interests	49.00%	43.61%	31.37%
Accumulated balances of material non-controlling interests	1,13,064.39	18,029.06	344.45
<b>Summarised Financial information for the Balance Sheet</b>			
Financial assets	9,59,603.07	68,157.34	5,079.47
Non-financial assets	1,15,260.14	1,439.15	1,915.03
Financial liabilities	8,69,521.37	27,837.72	4,094.52
Non-financial liabilities	29,536.06	95.95	1,191.92
Dividend paid to non-controlling interests	Nil	Nil	Nil
<b>Summarised Financial information for the Statement for Profit and Loss</b>			
Revenue from operations	14,455.48	7,099.85	17,243.42
Profit/(Loss) for the year	(6,690.37)	1,453.50	4,209.97
Other Comprehensive Income (OCI)	(345.36)	(10.75)	(86.79)
Total Comprehensive Income	(7,035.73)	1,442.75	4,123.18
<b>Summarised Financial information for the Cash Flow</b>			
Net cash inflow/(outflow) from Operating activities	(32,897.27)	(1,334.30)	5,938.64
Net cash inflow/(outflow) from Investing activities	(38,212.62)	(1,823.49)	23.23
Net cash inflow/(outflow) from Financing activities	4,30,659.96	(688.01)	(6,177.25)
Net cash inflow/(outflow)	3,59,550.07	(3,845.80)	(215.38)

## Notes forming part of the Consolidated Financial Statements

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### Note 61 : AMALGAMATION OF THE PUNJAB AND MAHARASHTRA CO-OPERATIVE BANK LTD WITH UNITY SMALL FINANCE BANK LIMITED

**A** 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 said 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 "amalgamated 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 amalgamation has been accounted for as per the Scheme. In accordance with the Scheme:

#### The assets shall be valued as follows:

- a) Investments other than Government Securities shall be valued at the market rates prevailing on the day immediately preceding the appointed date;
- b) (i) The Government Securities shall be valued as on the day immediately preceding the appointed date in accordance with the extant Reserve Bank guidelines;
- (ii) 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 shall be valued at their face value or the encashable value as on the said date, whichever is higher;
- (iii) 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, the security shall be valued 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;
- c) 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, the investment may be valued on the basis of its average market value over any reasonable period;

## Notes forming part of the Consolidated Financial Statements

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- d) 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;
- e) Premises and all other immovable properties and any assets acquired in satisfaction of claims shall be valued at their market value;
- f) the furniture and fixtures, stationery in stock and other assets, if any, shall be valued at the written down value as per books or the realisable value as may be considered reasonable;
- g) advances, including bills purchased and discounted, book debts, sundry assets, and all other remaining tangible/intangible assets will be scrutinised by the transferee Bank and the securities, including guarantees held as cover therefor examined and verified by the transferee Bank and thereafter, the advances including portions thereof, will 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".
- h) Liabilities for purposes of the Scheme shall include all liabilities, including contingent liabilities, which the transferee 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.
- h) (i) Restructured Deposits Payable within 5 years from Amalgamation Date :
- 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 a nominal amount 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]. There is no interest payable on these sums.

These nominal amounts have been valued on a present value basis and carried in the financial statements as on March 31, 2022. The Effective Interest Rate of this liability over the tenor of the liability shall be charged to Finance Costs in the Profit & Loss Account for the relevant periods.

- h) (ii) Restructured Deposits Payable at the end of 10 years from the date of amalgamation of PMC 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 a nominal amount to retail depositors at the end of Year 10 of the Amalgamation date as set out in Clause No [6 ] of Note [c] of Note [vii]. . Annual interest of 2.75% is payable from Year 6 till year 10 on these nominal amounts. These nominal amounts have been valued on a present value basis and carried in the financial statements as on March 31, 2022. The Effective Interest Rate of this liability over the tenor of the liability shall be charged to Finance Costs in the Profit & Loss Account for the relevant periods.

- h) (iii) Facility from DICGC

DICGC has extended a facility to the Bank to repay Depositors as explained in detail in Clause No [6 ][c ] [i to vii ]. As on 31 Mar 2022, part of the facility has been approved by DICGC and availed of by the Bank. The bank shall repay the nominal amount received (no interest is payable on these sums) pursuant to Clause [7] of Note [2]. These nominal amounts have been valued on a present value basis and carried in the financial statements as on March 31, 2022. The Effective Interest Rate of this liability over the tenor of the liability shall be charged to Finance Costs in the Profit & Loss Account for the relevant periods.

## Notes forming part of the Consolidated Financial Statements

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### h) (iv) Perpetual Non-Cumulative Preference Shares (PNCPS)

The Bank issued PNCPS to institutional depositors with dividend of one per cent, per annum payable annually. PNCPS have been valued on a present value basis and carried in the financial statements as on 31 Mar 2022.

The management of USFBL has carried out valuation of assets and determination of liabilities as on the appointed date of Amalgamation of erstwhile PMC Bank with USFBL i.e January 25, 2022, on the basis of balance sheet as at January 24, 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. The balance sheet as at January 24, 2022 was audited by a firm of Chartered Accountants (auditor) approved by RBI and they have expressed qualified opinion vide their report dated May 28, 2022. The management has taken cognizance of the matters of qualified opinion expressed by the said auditor and made adjustments in the valuation of assets and determination of liabilities as at the appointed date wherever required.

### B Details of the assets valued and liabilities reckoned as per the scheme of amalgamation referred to above are as under:

(₹ in lakhs)	
Particulars	As at March 31, 2022
<b>Financial Assets</b>	
Cash and cash equivalents	44,393.39
Bank balances other than cash and cash equivalents	12,130.79
Investments	256,438.45
Loans	62,011.52
Other Financial Assets	1,840.98
<b>Non-financial Assets</b>	
Current Tax (Net)	2,886.25

(₹ in lakhs)

Particulars	As at March 31, 2022
Deferred Tax asset on provision for doubtful advances ( Refer note (e) below )	73,000.00
Property, plant and equipment	25,862.39
Right-of-use assets	2,021.18
Other intangible assets	55.05
Other Non-Financial Assets	2,800.10
<b>Total Assets (I)</b>	<b>483,440.12</b>
<b>Financial Liabilities</b>	
Trade Payables	3,500.40
Debt Securities - Issue of PNCPS towards depositors liabilities	15,606.12
Borrowings	14,912.93
Lease Liabilities	2,021.18
Other Financial Liabilities	299,638.57
<b>Non-Financial Liabilities</b>	
Provisions	30,314.24
Other Non-Financial Liabilities	36,793.61
<b>Equity and Reserves and Surplus</b>	
Issue of equity warrants towards depositors liabilities	52,968.24
<b>Total Liabilities (II)</b>	<b>455,755.29</b>
<b>Net Assets (III) = (II) - (I)</b>	<b>27,684.83</b>
Purchase consideration [IV]	Nil
Capital Reserve on Amalgamation [IV] - [III]	27,684.83
Group Share	14,119.26
Non-controlling interest share	13,565.57

### Note:

- a) 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 24<sup>th</sup> January referred to hereinabove in respect of standard assets, taking into account the possibility of additional accounts which may have to be classified as NPA, as the process of identification of NPA in the erstwhile PMC Bank was manual.

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- b) The Bank has made adjustments in the carrying value of land and building as at the appointed date taking into account the valuation report obtained from approved valuer.
- c) The Bank has reckoned additional liabilities as at the appointed date based on its assessment.
- d) Other Assets include refund amount of ₹ 28 crores due from income tax department in respect of various assessment years of erstwhile PMC Bank. The said amount has been arrived at based on the assessment of the Bank that it is reasonably certain that it is recoverable.
- e) Deferred tax asset as at the appointed date has been 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. The erstwhile PMC Bank had not recognised Deferred Tax Asset on the same based on its own assessment.

However, Deferred tax asset has not been recognised for the tax effect on accumulated loss pertaining to erstwhile PMC Bank for the assessment years upto AY 2021-22 considering that admissibility of these losses for set offs is yet to be clearly established and also considering that assessments of erstwhile PMC for certain years have not yet been completed.

- f) The Bank shall have 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, which can be done in one instalment or in several instalments and the transferee Bank shall create a reserve account in its books and make periodical transfers to it as may be approved by Reserve Bank, for the purpose of discharging its liability towards DICGC in accordance with the provisions of the Scheme.

### Note 62 : TITLE DEEDS OF IMMOVABLE PROPERTIES AND PHYSICAL VERIFICATION OF FIXED ASSETS

- a) The Bank has carried out physical verification of fixed assets of all the branches of erstwhile PMC Bank. Physical verification of Fixed Assets of Central Office of the erstwhile PMC Bank at Dreams Mall – Bhandup could not be carried out due to major Fire which occurred on 25<sup>th</sup> March 2021 at the said premises, and the entry to the mall is restricted.

- b) The Bank has obtained the title documents of all the immovable properties of erstwhile PMC Bank. The Bank is also in the process of getting these title transferred/ changed in its name. Registration formalities/ obtaining occupancy certificate etc. are pending in respect of certain Land and building.

### Note 63 : FRAUD IN ERSTWHILE PMC BANK AND DISPUTES RELATING TO ERSTWHILE PMC BANK AND THE SCHEME OF AMALGAMATION

- a) 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). The Bank has made full provision in respect of the advances given to HDIL by erstwhile PMC Bank.
- b) Legal cases has also been filed against promoters of HDIL and erstwhile PMC Bank for taking criminal/civil action. In certain cases against the Bank like writ petitions, Bank does not expect any liability in this regards.
- c) Some of depositors erstwhile PMC have filed writ petitions/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.
- d) The Delhi High Court in November 2022 has dismissed the petitions filed by certain depositors against Reserve Bank of India and others.
- e) as per scheme of amalgamation referred to in notes 10, depositors or creditor of the transferor Bank shall not be entitled to make and demand against the erstwhile PMC Bank or the Bank (USFBL) in respect of any liability of the transferor Bank to the depositors/ creditors expect to the extend specified by the Scheme referred to hereinabove.
- f) 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.



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## Note 64 : AUTOMATION OF IT SYSTEM

During the year the bank has migrated from Finacle to Turing. The data-based migration audit was carried out by an external agency and they have not observed any significant gaps in the migration process.

RBI vide its Notification No. DoS. C0.PPG/ SEC.03/11.01.005/2020-21 dated September 14, 2020 on "Automation of Income Recognition, Asset Classification and Provisioning processes in banks" advises 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 processed. RBI has permitted the bank to put in places the IRAC automation process by June 30, 2023. In case of advances pertaining to erstwhile PMC, the management has made provision based on details analysis of various portfolios of such, advances and does not expect any additional provisioning on this account.

## Note 65 : INTERNAL/CONCURRENT AUDIT/SYSTEM AUDIT

The Bank has initiated the process of conducting the Risk Based Internal Audits by the in-house team. The concurrent audit of Branches and other operations of the Banks processes along with erstwhile PMC Bank conducted by the Board approved external Auditors. The same are in progress. The Bank will be carrying out System / EDP audit as required under RBI guidelines for reviewing various IT controls in the future after upgradation/integration of various systems.

## Note 66 : RELAXATIONS /FORBEARANCES GRANTED BY RBI

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 SFB guidelines 2019 to comply with the following provisions:

- i) Achievement of Priority Sector lending target of 75% of Adjusted Net Bank Credit

- ii) Requirement of at least 50% of loan portfolio to constitute loans and advances of upto ₹ 25 lacs and
- iii) Adherence to Exposure limit to single and group obligor for loans acquired from CFSL / CML / erstwhile PMC.

## Note 67: RBI VIDE ITS LETTER DATED MARCH 10,2022 HAS GIVEN THE FOLLOWING CLARIFICATIONS:

- a) Equity warrants may be included in the common equity
- b) The Bank is permitted to treat payables to retail depositors of PMC bank (more than 15 lacs) to be repaid at the end of 10 years as Tier II Bonds for the purpose of CRAR calculations.
- c) Certain restructured liabilities i.e perpetual Non-Cumulative Preference Shares ("PNCPS") is a BASEL III instrument. Since the said instrument is issued 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 or 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.

**Note 68:** 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.

**Note 69 :** The Bank is carrying The principal protected secured redeemable non-convertible market linked debentures (MLDs) and the Non-Convertible Debentures (NCD) issued by the Centrum Financial Services Limited (CFSL), a NBFC- Core Investment Company from whom

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the NBFC business was acquired on Slump sale basis. The MLDs are fully secured by a first pari-passu charge over the specified immovable property wherever applicable and present and future book debts, investments & receivables of the Bank. The NCDs 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 The Guidelines for 'on tap' Licensing of Small Finance Banks in the Private Sector (SFB guidelines -2019) dated December 05,2019 issued by RBI, the grandfathering of the aforesaid borrowings has been permitted till their maturity.

### Note 70 : RECONCILIATION OF OFFICE ACCOUNTS

The Bank has carried out reconciliation of various accounts including system related accounts such as interest payable, Interest receivable accounts and NFS accounts of the erstwhile PMC Bank. These balances will be transfer to RBI DEAF a/c after 10 years.

**Note 71 :** During the year, the Unity Small Finance Bank Limited ( the 'Bank' ) a subsidiary of the Company has received further cash assistance of ₹5,929 lakhs from DICGC in respect of Insured deposits of erstwhile PMC depositors. In accordance with the Scheme, the Bank credited these amounts received to the respective depositors. The liability towards DICGC cash assistance was reckoned on net present value basis in the initial recognition balance sheet, in accordance with the Scheme. Accordingly, this additional cash assistance received from DICGC has also been reckoned at the net present value i.e. at ₹ 907 lakhs and the difference of ₹ 5,021 lakhs between the nominal value and net present value has been credited to the Capital Reserve on Amalgamation. Further the bank has carried out reconciliation of liabilities towards depositors of erstwhile PMC Bank which was amalgamated with the bank on January 25, 2022 in accordance with the scheme sanctioned by the Central Government. The changes thereof in Capital Reserve is appropriately adjusted in the financial statement.

# Notes forming part of the Consolidated Financial Statements

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## Note 72 : ADDITIONAL REGULATORY INFORMATION (to the extent applicable and reportable)

### (i) : The deeds of immovable properties not held in name of the Unity Small Finance Bank Limited.

Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds held in 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 Unity Small Finance Bank Limited*
Property, Plant & Equipment	Land & Building	₹ 3,510.95 lakhs	Shree Srinivas Realtors Private Limited	Director	2021	The transfer was rejected by the Sub Registrar Office ('SRO') Citing a Government of Maharashtra notification preventing the transfer vide 'Deed of Apartment'. The Company had submitted a representation in June 2022 against this rejection. This representation, along with many similar representation are kept on hold by the SRO awaiting a clarificatory notification from Government of Maharashtra

(\*Unity Small Finance Bank Limited has obtained the title deeds of all immovable properties of erstwhile PMC Bank, except for few properties, the title deeds of which are being traced. The Bank is also in process of getting these title deeds transferred in its name. Registration formalities/obtaining occupancy certificate etc. are pending in respect of certain land and building)

### (ii) Details of Capital work-in-progress (CWIP)

#### CWIP aging schedule as at March 31, 2023

CWIP	Amount in CWIP for a period of (₹ in lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in progress	25.11	312.70	-	-	337.81
ii) Projects temporarily suspended	-	-	-	-	-

#### CWIP aging schedule as at March 31, 2022

CWIP	Amount in CWIP for a period of (₹ in lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in progress	21.43	-	-	-	21.43
ii) Projects temporarily suspended	-	-	-	-	-

i) Whose completion is overdue

ii) Has exceeded its cost compared to its original plan, following CWIP completion schedule

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### Intangible assets under development aging schedule as at March 31, 2023

#### (iii) Details of Intangible assets under development

CWIP	Amount in CWIP for a period of (₹ in lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in progress	125.25	82.00	-	-	207.25
ii) Projects temporarily suspended	-	-	-	-	-

### Intangible assets under development aging schedule as at March 31, 2022

CWIP	Amount in CWIP for a period of (₹ in lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in progress	-	-	-	-	-
ii) Projects temporarily suspended	-	-	-	-	-

i) Whose completion is overdue

ii) Has exceeded its cost compared to its original plan, following CWIP completion schedule

#### (iv) As per amended Schedule III, the Group has to report below details for any transactions entered with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act 1956

Name of the Struck off Company	Nature of transactions with struck off company	(₹ in lakhs)			
		Balance outstanding as at March 31, 2023 (₹ in lakhs)	Relationship with the Struck off company if any to be disclosed	Balance outstanding as on March 31, 2022 (₹ in lakhs)	Relationship with the Struck off Company, if any, to be disclosed.
Romy Realty Private Ltd	Trade Receivable	6.85	Not applicable	0.07	Not applicable
Jai Dada Steel Private Ltd	Trade Receivable	-	Not applicable	0.04	Not applicable
S.D.B. Consultants Pvt Ltd	Trade Receivable	0.03	Not applicable	0.05	Not applicable
Bholebaba Suppliers Pvt Ltd	Trade Receivable	-	Not applicable	0.05	Not applicable
Omshtidev Real Estate Pvt Ltd	Trade Receivable	-	Not applicable	0.01	Not applicable
Pravasi Enterprises Ltd	Trade Receivable	-	Not applicable	0.09	Not applicable
Shrinath Cotfab Private Ltd	Trade Receivable	-	Not applicable	0.9	Not applicable
<b>Total</b>		<b>6.88</b>		<b>1.21</b>	

(v) The Merger Scheme of Centrum Microcredit Limited (CML) with the Company was approved by National Company Law Tribunal ('NCLT') on March 30, 2023. The merger is effective from the Appointed Date, i.e., April 01, 2022.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

### Note 73 : EVENTS OCCURRING AFTER THE REPORTING PERIOD

No Significant adjusting event occurred between balance sheet date and the date of the approval of these consolidated financial statements by the Board of the Directors requiring adjustments on disclosures.

**Note 74 :** Amount shown as ₹ 0.00 represents amount below ₹ 5,000 (Rupees Five Thousand).

### Note 75 : PREVIOUS YEAR COMPARATIVES

Figures for the previous year have been regrouped wherever necessary.

As per our report attached

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No. 109982W

by the hand of

**Edwin Paul Augustine**

Partner

Membership No.043385

Place : Mumbai

Date : May 19, 2023

Signatures to Notes 1 to 75

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

**Jaspal Singh Bindra**

Executive Chairman

DIN : 00128320

**Sriram Venkatasubramanian**

Chief Financial Officer

**Parthasarathy Iyengar**

Company Secretary

Membership No. A21472

## Centrum Capital Limited

CIN: L65990MH1977PLC019986

**Registered and Corporate Office:** Level 9, Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400 098.

**Tel:** +91 22 4215 9000 **Email:** [cs@centrum.co.in](mailto:cs@centrum.co.in) **Website:** [www.centrum.co.in](http://www.centrum.co.in)

### NOTICE

**NOTICE** is hereby given that, the **FORTY FIFTH (45<sup>TH</sup>) ANNUAL GENERAL MEETING** of **CENTRUM CAPITAL LIMITED** will be held on **Saturday, August 12, 2023**, at **03:00 P.M. IST** through video conference or other audio visual means (“OAVM”), to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at Level 9, Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400 098.

#### ORDINARY BUSINESS:

##### Item No. 1 – TO RECEIVE, CONSIDER AND ADOPT:

- a) The Audited Financial Statements for the Financial Year ended March 31, 2023, together with the reports of the Board of Directors and Auditors’ thereon.
- b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023, together with reports of Auditors’ thereon.

**Item No. 2 – TO APPOINT A DIRECTOR IN PLACE OF MR. RISHAD BYRAMJEE (DIN: 00164123), WHO RETIRES BY ROTATION AT THIS MEETING AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.**

#### SPECIAL BUSINESS:

##### Item No. 3 – TO CONSIDER AND APPROVE RAISING OF FUNDS THROUGH ISSUE OF SECURITIES SUBJECT TO APPROVAL OF THE REGULATORY AND/OR STATUTORY AUTHORITIES AS APPLICABLE

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62 and 179 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, (including any amendments, statutory modification(s) and / or re-enactment thereof for the time being in force) (the “Companies Act”), all other applicable laws, rules and regulations, the Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder, including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, each as amended from time to time (collectively, “FEMA”), the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, as amended and replaced from time to time (the “FDI Policy”), the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended (the “FCCB Scheme”), the Depository Receipts Scheme, 2014 (the “DR Scheme”), the relevant provisions of the Memorandum and Articles of Association of the Company, applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendment, modification, variation or re-enactment thereof) (the “ICDR Regulations”), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the listing agreements entered into by the Company with the BSE Limited (“BSE”), National Stock Exchange of India Limited (“NSE”, and together with BSE, the “Stock Exchanges”) where the equity shares of the Company of face value of ₹ 1 each (the “Equity Shares”) are listed and such other statutes, clarifications, rules, regulations, circulars, notifications, guidelines, if any, as may be applicable, as amended from time to time issued by the Government of India (“Government of India”), the Ministry of Corporate Affairs (“MCA”), the Reserve Bank of India (“RBI”), BSE, NSE, the Registrar of Companies, Maharashtra at Mumbai (“ROC”), the Securities and Exchange Board of India (“SEBI”) and any other appropriate governmental or regulatory authority and subject to all other approval(s), consent(s), permission(s) and / or sanction(s) as may be required from various regulatory and statutory authorities, including the Government of India, the RBI, SEBI, MCA, ROC and the Stock Exchanges (hereinafter referred to as “Appropriate Authorities”), and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting such approval(s), consent(s), permission(s) and/ or sanction(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee(s) constituted / to be constituted by the Board to exercise its powers including powers conferred by this resolution), the approval of the Members of the Company be and is hereby accorded to create, offer, issue and allot (including with provisions of reservations on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted) such number of Securities (as defined hereinafter) for cash at such price that may be decided by the Board in terms of the applicable regulations and as permitted under the applicable law, in one or more tranches, with or without green shoe option, for an aggregate amount up to ₹ 1000 crore (Rupees One Thousand Crore only), by way of a public issue, preferential allotment, private placement including a Qualified Institutions Placement (“QIP”) in accordance with the provisions of Chapter VI of the ICDR Regulations, or any combination thereof, by way of issue of equity shares or by way of issue of any instrument or security including fully/partly convertible debentures, securities convertible into equity shares, Global Depository Receipts (the “GDRs”), American Depository Receipts (the “ADRs”), Foreign Currency Convertible Bonds (the “FCCBs”), or by way of a composite issue of Non-Convertible Debentures and warrants entitling the warrant holder(s) to apply for equity shares and/or any other eligible securities (instruments listed above collectively with the equity shares to be hereinafter referred

to as the “Securities”) or any combination of Securities, with or without premium, to be subscribed to in Indian and/or any foreign currency(ies) by all eligible investors including qualified institutional buyers as defined in the ICDR Regulations, or otherwise, foreign / resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign portfolio investors, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, and / or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the “Investors”) through issue of prospectus and/or placement document or other permissible / requisite offer document, as may be decided by the Board in its discretion and permitted under applicable laws and regulations, at such premium as may be fixed on such securities by offering the securities at such time or times, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc., as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors considering the prevailing market conditions and other relevant factors wherever necessary, to whom the offer, issue and allotment of Securities shall be made to the exclusion of others, in such manner, including allotment to stabilizing agent in terms of green shoe option, if any, exercised by the Company and where necessary in consultation with the book running lead managers and/or underwriters and/or stabilizing agent and/or other advisors or otherwise on such terms and conditions, including making of calls and manner of appropriation of application money or call money, in respect of different class(es) of Investor(s) and/or in respect of different Securities, deciding of other terms and conditions like number of securities to be issued, number of Equity Shares to be issued and allotted on conversion/redemption/extinguishment of debt(s), rights attached to the warrants, terms of issuance, period of conversion, fixing of record date or book closure dates, if any, as the Board may in its absolute discretion decide, in each case, subject to the applicable laws;

**RESOLVED FURTHER THAT** the issue of Securities shall be subject to the following terms and conditions: (i) the Equity Shares that may be issued and allotted directly or on conversion of other convertible or exchangeable Securities that may be issued as aforesaid shall be subject to the provisions of the Memorandum and Articles of Association of the Company and rank pari – passu with the existing Equity Shares in all respects including dividend; and (ii) the number and / or conversion price in relation to Equity Shares that may be issued and allotted on conversion of other convertible Securities that may be issued as aforesaid shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split and consolidation of share capital, merger, de-merger, transfer of undertaking, sale of division or any such capital or corporate restructuring;

**RESOLVED FURTHER THAT** in case of a further public offer, the Securities shall be issued by the Company in compliance with Chapter IV of the ICDR Regulations and other applicable laws;

**RESOLVED FURTHER THAT** in case of issue and allotment of Securities by way of QIP in terms of Chapter VI of the ICDR Regulations (hereinafter referred as “Eligible Securities” within the meaning rendered to such term under Regulation 171(a) of the ICDR Regulations):

- a) the allotment of the Eligible Securities, or any combination of the Eligible Securities as may be decided by the Board and subject to applicable laws, shall be completed within 365 days from the date of passing of this special resolution of the shareholders of the Company or such other time as may be allowed under the ICDR Regulations and shall only be made to eligible QIBs within the meaning of ICDR Regulations;
- b) the Eligible Securities under the QIP shall be allotted as fully paid up;
- c) in the event Equity Shares are issued, the ‘relevant date’ for the purpose of pricing of the Equity Shares to be issued, shall be the date of the meeting in which the Board of Directors decides to open the proposed issue of Equity Shares, subsequent to the receipt of members’ approval in terms of provisions of Companies Act, 2013 and other applicable laws, rules, regulations and guidelines in relation to the proposed issue of the Equity Shares;
- d) in the event that Eligible Securities issued are eligible convertible securities, the ‘relevant date’ for the purpose of pricing of the convertible securities to be issued, shall be, either the date of the meeting in which the Board decides to open the proposed issue or the date on which the holders of such eligible convertible securities become entitled to apply for Equity Shares, as decided by the Board of Directors of the Company;
- e) the tenure of the convertible or exchangeable Eligible Securities issued through the QIP shall not exceed sixty months from the date of allotment;
- f) any issue of Eligible Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Part IV of Chapter VI of the ICDR Regulations (the “QIP Floor Price”);
- g) the Board may, however, subject to the approval of the shareholders of the Company, issue Equity Shares at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the QIP Floor Price;
- h) the allotment to a single Qualified Institutional Buyer (QIB) in the proposed QIP issue will not exceed 50% of the total issue size or such other limit as may be permitted under applicable law; and
- i) the Eligible Securities allotted in the QIP shall not be eligible for sale by the respective allottees, for a period of one year from the date of allotment, except on a recognized stock exchange or except as may be permitted from time to time by the ICDR Regulations;

**RESOLVED FURTHER THAT** in case of any offering of Securities, including without limitation any other Securities convertible into Equity Shares, the Board is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above in accordance with the terms of issue / offering in respect of such Securities and / or as may be provided in the offer document and / or offer letter and / or offering circular and / or listing particulars;

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the Securities may have such features and attributes or any terms or combination of terms in accordance with domestic and international practices to provide for the tradability and free transferability thereof as per applicable law including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the duration of the Securities and the Board be and is hereby authorized in its absolute discretion, in such manner as it may deem fit, to dispose of such of the Securities that are not subscribed in accordance with applicable law;

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the nature of the issuance, terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, issue price and discounts permitted under applicable law, premium amount on issue/conversion of the Securities, if any, rate of interest, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and entering into and executing arrangements with merchant bankers, lead managers, legal advisors, depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s) or agreements including but not limited to prospectus and/or letter of offer and/or circular and/or offering circular and/or placement memorandum and/or preliminary placement documents and/or placement document, registration statement and filing such documents (in draft or final form) with any Indian or foreign regulatory authority or Stock Exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise with regard to the issue, offer or allotment of Securities and take all such steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion, deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any Whole-time Director(s) or Chief Financial Officer of the Company in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and settle any questions or difficulties that may arise in this regard to the Issue without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members of the Company shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

**Item No. 4 - MATERIAL RELATED PARTY TRANSACTION(S) OF THE COMPANY WITH RESPECT TO CORPORATE GUARANTEE(S) IN RELATION TO THE BORROWING FACILITIES OF SUBSIDIARIES**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to provide/continue to provide, Corporate Guarantee(s) in favour of any Bank(s) / other lending institution(s) in respect of the loans/credit facilities availed/to be availed by Centrum Broking Limited ("CBL") and / or Centrum Housing Finance Limited ("CHFL") and / or Unity Small Finance Bank Limited ("Unity SFB") up to an outstanding limit not exceeding ₹ 250,00,00,000/- (Rupees Two Hundred and Fifty Crores Only), ₹ 700,00,00,000/- (Rupees Seven Hundred Crores Only) and ₹ 100,00,00,000/- (Rupees One Hundred Crores Only) respectively, during the Financial Year 2023-24 and up to the conclusion of the Company's 46<sup>th</sup> Annual General Meeting being Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and CBL / CHFL / Unity SFB, as the case may be, subsidiaries of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and CBL / CHFL / Unity SFB, as the case may be;



**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution;

**RESOLVED FURTHER THAT** all actions taken by the Board/Audit Committee in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

#### **Item No. 5 - MATERIAL RELATED PARTY TRANSACTION(S) OF THE COMPANY FOR DEBT GRANTED TO/RECEIVED FROM SUBSIDIARY OF THE COMPANY**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), for availing or providing secured or unsecured, short-term or long-term debt from/to Centrum Wealth Limited (CWL), a subsidiary of the Company for an outstanding limit as receivable or as payable against each other not exceeding ₹ 200,00,00,000/- (Rupees Two Hundred Crores Only) at any point in time, during the Financial Year 2023-24 and up to the conclusion of the Company's 46<sup>th</sup> Annual General Meeting, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) for the debt is being carried out at an arm's length pricing basis and in the ordinary course of business;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution;

**RESOLVED FURTHER THAT** all actions taken by the Board/Audit Committee in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

#### **Item No. 6 - MATERIAL RELATED PARTY TRANSACTION(S) OF INTER-SE BETWEEN SUBSIDIARIES OF THE COMPANY FOR PROVIDING / AVAILING DEBT**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), between Centrum Retail Services Limited (CRSL), a wholly-owned subsidiary of the Company and Centrum Wealth Limited (CWL), a subsidiary of the Company, for availing / providing secured / unsecured, short-term / long-term debt from / to the other for an outstanding limit as receivable or as payable against each other does not exceed, ₹ 200,00,00,000/- (Rupees Two Hundred Crores Only) at any point in time, during the Financial Year 2023-24 and up to the conclusion of the Company's 46<sup>th</sup> Annual General Meeting, provided that such transaction(s) / contract(s) / arrangement(s)

/ agreement(s) for the debt is being carried out at an arm's length pricing basis and in the ordinary course of business."

**Item No. 7 - MATERIAL RELATED PARTY TRANSACTION(S) OF INTER-SE BETWEEN SUBSIDIARIES OF THE COMPANY FOR PROVIDING / AVAILING DEBT**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), between Centrum Financial Services Limited (CFSL), a wholly-owned subsidiary of the Company and Centrum Wealth Limited (CWL), a subsidiary of the Company, for availing / providing secured / unsecured, short-term / long-term debt from / to the other for an outstanding limit as receivable or as payable against each other does not exceed, ₹ 50,00,00,000/- (Rupees Fifty Crores Only) at any point in time, during the Financial Year 2023-24 and up to the conclusion of the Company's 46<sup>th</sup> Annual General Meeting, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) for the debt is being carried out at an arm's length pricing basis and in the ordinary course of business."

**Item No. 8 - MATERIAL RELATED PARTY TRANSACTION(S) OF THE COMPANY WITH ANY OF ITS SUBSIDIARIES/ASSOCIATES OR BETWEEN 2 SUBSIDIARIES/ASSOCIATES INTER-SE:**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Sections 2(76), 188 and applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to enter into Material Related Party Transactions or make any modifications to such contracts/ arrangements/transactions, during the Financial Year 2023-24 and up to the conclusion of the 46<sup>th</sup> Annual General Meeting of the Company, with Subsidiaries/ Step-Down Subsidiaries/ Associates, or inter-se between the Subsidiaries/Step-Down Subsidiaries/Associates, as specified in the Explanatory Statement annexed hereto, upto the aggregate monetary limits stated in the Explanatory Statement provided that the said contract(s)/ arrangement(s)/ transaction(s) is being carried out at an arm's length pricing basis and in the ordinary course of business;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned transactions including the timing, amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them, through transfer, sale, recall, renewal, divestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the specified limits, take such actions and steps, including delegation of authority, as may be necessary and to settle all matters arising out of and thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution."

**Item No. 9 - Authorization for making donation to Bonafide Charitable and Other Fund**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 181 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to contribute to bonafide Charitable Trusts and other funds provided that, the aggregate amount of contribution to such funds in a Financial Year shall not exceed the limits as set out in Section 181 or a sum of Rupees One crore, whichever is higher;

**RESOLVED FURTHER THAT** the Board of Directors or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

By order of the Board of Directors,  
For Centrum Capital Limited

**Place: Mumbai**  
**Date: May 19, 2023**

**Parthasarathy Iyengar**  
**Company Secretary**  
**ACS No. 21472**

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of business to be transacted at the 45<sup>th</sup> Annual General Meeting ("AGM"), as set out under Item Nos. 3 to 9 above and the relevant details of the Director as mentioned under item No. 2 above as required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "the Listing Regulations" and as required under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, is annexed hereto.
2. In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular No. 10/2022 dated 28<sup>th</sup> December 2022, other Circulars issued by the Ministry of Corporate Affairs ("MCA") from time to time, and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05<sup>th</sup> January, 2023 issued by SEBI ("the Circulars"), companies are allowed to hold AGM through video conference/other audio visual means ("VC/OAVM") upto 30<sup>th</sup> September, 2023, without the physical presence of members. The AGM of the Company is being held through VC/OAVM, and video recording and transcript of the same shall be made available on the website of the Company. Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM and e-voting during the AGM.
3. As the AGM will be conducted through VC/OAVM, the facility for appointment of proxy by the Members is not available for this AGM and hence, the Proxy Form is not annexed to this Notice. Further Attendance Slip including route map is not annexed to this Notice.
4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Authorised representative of the corporate members intending to participate in the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc. authorising them to attend the AGM, by email to [secretarial@centrum.co.in](mailto:secretarial@centrum.co.in). Institutional shareholders/corporate members (i.e. other than individuals, HUF, NRI, etc.) are requested to upload their Board Resolution/Power of Attorney/Authority Letter by clicking on 'upload Board Resolution/Authority Letter' displayed under 'e-voting' tab in their login screen to the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
6. In compliance with the Circulars, Notice of the AGM along with Annual Report for FY 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depository Participants ("DPs"). Members may note that Notice and Annual Report for FY 2022-23 has been uploaded on the website of the Company at [www.centrum.co.in](http://www.centrum.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
8. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the Registrar & Transfer (R&T) Agent of the Company. In case shares are held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
9. In terms of Section 72 of the Act, nomination facility is available to individual shareholders holding shares in the physical mode. The shareholders who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.
10. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode.
11. The Members can join the AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
12. Members shall have the option to vote electronically ("e-voting") either before the AGM ("remote e-voting") or during the AGM.
13. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Member.
14. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote during the AGM.
15. **PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS:**
  - i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations, (including any statutory modification(s) and/or re-enactments(s) thereof for the time being in force), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a Member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

- ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Saturday, August 05, 2023, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Saturday, August 05, 2023, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or venue voting system on the date of the AGM by following the procedure mentioned in this part.
- iv. The remote e-voting period will commence on **Wednesday, August 09, 2023, at 09:00 a.m.** and will end on **Friday, August 11, 2023, at 05:00 p.m.** During this period, the Members of the Company holding shares either in physical form or in dematerialised form as on **Saturday, August 05, 2023**, i.e the Cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- vi. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Saturday, August 05, 2023.
- vii. The Company has appointed Practicing Company Secretary Mr. Umesh P Maskeri (Membership No.: COP No. 12704, FCS No 4831) as the scrutiner for scrutinizing the entire e-voting process i.e. remote e-voting and e-voting during the AGM, to ensure that the process is carried out in a fair and transparent manner.

**16. PROCESS FOR THOSE MEMBERS WHOSE EMAIL IDs ARE NOT REGISTERED:**

- i. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [secretarial@centrum.co.in](mailto:secretarial@centrum.co.in).
- ii. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [secretarial@centrum.co.in](mailto:secretarial@centrum.co.in)

**17. THE INSTRUCTIONS TO SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- i. The **voting period begins on Wednesday, August 09, 2023 at 09:00 a.m. and ends on Friday, August 11, 2023 at 05:00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. Saturday, August 05, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1: Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

- iv. In terms of SEBI circular no. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDEAS" "Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 022-23058542-43
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non- individual shareholders in demat mode.**

- v. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding shares in Demat form.
- 1) The shareholders should log on to the e-voting website - [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders”.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).  - Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number indicated in the PAN field.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  - If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that, this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN of the Company <CENTRUM CAPITAL LIMITED> on which you choose to vote.
- x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. **ADDITIONAL FACILITY FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS – FOR REMOTE VOTING ONLY**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [secretarial@centrum.co.in](mailto:secretarial@centrum.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at 022- 23058738 and 022-23058542/43.

**18. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
5. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

19. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.centrum.co.in](http://www.centrum.co.in) and on the website of CDSL i.e., [www.cdslindia.com](http://www.cdslindia.com) within three days of the passing of the Resolutions at the 45<sup>th</sup> AGM of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

**20. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholders will be provided with a facility to attend the AGM through VC/OAVM on the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders’/ Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further Shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.



4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id [secretarial@centrum.co.in](mailto:secretarial@centrum.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at Company email id [secretarial@centrum.co.in](mailto:secretarial@centrum.co.in). These queries will be replied to by the Company suitably by email.

## Contact Details:

Company	Centrum Capital Limited Registered and Corporate Office: Level 9, Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400 098 E-mail ID: <a href="mailto:cs@centrum.co.in">cs@centrum.co.in</a> Phone: 022 4215 9000
Registrar and Transfer Agent	Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 Email ID: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Phone: 022 4918 6000
e-Voting Agency	Central Depository Services (India) Limited Email ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Phone: 1800 22 55 33
Scrutinizer	CS Umesh P Maskeri Practicing Company Secretary E-mail: <a href="mailto:umeshmaskeri@gmail.com">umeshmaskeri@gmail.com</a>

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, SETTING OUT ALL THE MATERIAL FACTS RELATING TO SPECIAL BUSINESS:****Item No. 3**

The consent of the Members is being sought pursuant to the provisions of Sections 23, 42, and 62 and other applicable provisions of the Companies Act, 2013, as amended (hereinafter referred to as “the Act”) and rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “ICDR Regulations”), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), the Securities and Exchange Board of India Act, 1992, as amended and rules and regulations made thereunder, the Foreign Exchange Management Act, 1999 (FEMA), as amended, and rules and regulations made thereunder and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India (GOI), the Reserve Bank of India (RBI) and the Securities and Exchange Board of India (SEBI) and/or any other competent authorities, and subject to approval from all other appropriate statutory and regulatory authorities, as may be applicable or relevant.

As the Members are aware, the Company and its subsidiaries are engaged in various businesses, which are divided into 5 primary business segments, viz., Banking Business, Institutional Business, Wealth Management and Distribution Business, Housing Finance Business and SME/Micro Credit Lending Business.

In order to support the long term capital requirements of the Company and its subsidiaries for varied purposes, the Company may need to raise additional funds. Accordingly, the Board of Directors, at its meeting held on May 19, 2023, has approved and decided to obtain an enabling approval from the Company’s Members to raise funds for an amount aggregating up to ₹ 1,000 Crores Only.

The resolution proposed is an enabling resolution and the exact price, proportion and timing of the issue of the Securities in one or more tranches and the remaining detailed terms and conditions for the fund raising, including issuance of Securities through the Issue will be decided by the Board or its duly constituted committee, in accordance with the SEBI ICDR Regulations, in consultation with book running lead managers and/ or other advisor(s) appointed in relation to the Issue and such other authorities and agencies as may be required to be consulted by the Company.

For the above purpose, the Company has been exploring various avenues for raising funds by way of issue of Equity Shares or by way of issue of any instrument or security including fully/partly convertible debentures, securities convertible into Equity Shares, Global Depository Receipts (the “GDRs”), American Depository Receipts (the “ADRs”), Foreign Currency Convertible Bonds (the “FCCBs”), or by way of a composite issue of non-convertible debentures and warrants entitling the warrant holder(s) to apply for Equity Shares or any other eligible securities and/or any combination thereof (the “Securities”) for an aggregate amount of up to ₹ 1000 Crore (Rupees One Thousand Crore only) including through qualified institutions placement (the “QIP”) to qualified institutional buyers (the “QIBs”) as defined in ICDR Regulations or private placement or preferential issue or public issue or through any other permissible mode and/or combination thereof as may be considered appropriate under the applicable laws. The issue of Securities may be consummated in one or more tranches at such time or times at such price as may be determined by the Board in its absolute discretion, taking into consideration prevailing market conditions and other relevant factors and wherever necessary in consultation with advisors, lead managers, underwriters and such other authority or authorities as may be necessary and subject, as applicable, to the ICDR Regulations, and other applicable guidelines, notifications, rules and regulations, each as amended. The proposed Special Resolution seeks to confer upon the Board (including any Committee thereof) the absolute discretion to determine the terms of the aforementioned issuance of Securities, including the exact price, proportion and timing of such issuance, based on an analysis of the specific requirements. The detailed terms and conditions of such issuance will be determined by the Board or any Committee duly authorised by the Board, considering prevailing market conditions, practices and in accordance with the applicable laws. Accordingly, the Board (including a Committee thereof) may, in its discretion, adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Company.

In the event of the issue of the equity shares as aforesaid is by way of a QIP: (i) the special resolution also seeks to empower the Board to undertake a QIP as defined by ICDR Regulations; (ii) the issue and allotment of Equity Shares shall be made only to QIBs within the meaning of the ICDR Regulations and such Equity Shares shall be fully paid up on its allotment; (iii) the Equity Shares shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized stock exchange or except as maybe permitted from time to time by the ICDR Regulations; (iv) the allotment of the specified securities, or any combination of specified securities, as may be decided by the Board, shall be completed within 365 days from the date of this resolution or such other time as may be permitted under the ICDR Regulations; (v) none of the promoters or directors intend to make any contribution either as part of the QIP or in furtherance of the objects of the QIP, and (vi) any issue of Eligible Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Part IV of Chapter VI of the ICDR Regulations (the “QIP Floor Price”). The Board may, however, subject to the approval of the shareholders of the Company, issue Equity Shares at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the QIP Floor Price.

In connection with the proposed issue of Securities, the Company is required, inter alia, to prepare various documentations and execute various agreements. The

Company is yet to identify the investor(s) and decide the quantum of Securities to be issued to them. Accordingly, it is proposed to authorize the Board to identify the investor(s), issue such number of Securities, negotiate, finalize and execute such documents and agreements as may be required and do all such acts, deeds and things in this regard for and on behalf of the Company. The 'Relevant Date' for this purpose will be the date as determined in accordance with the ICDR Regulations and as mentioned in the resolution.

The issue / allotment / conversion would be subject to the applicable regulatory approvals, if any. The issuance and allotment of Securities including equity shares to be allotted on conversion of Securities to foreign / non-resident investors would be subject to the applicable foreign investment cap and relevant foreign exchange regulations.

Since the proposed fund raising activities may, inter alia, result in the issue of Equity Shares to investors who may or may not be Members of the Company, consent of the members is being sought pursuant to Section 62(1) (c) and other applicable provisions of the Companies Act, 2013 as well as applicable rules notified by the Ministry of Corporate Affairs, the ICDR Regulations and any other law for the time being in force and being applicable and in terms of the provisions of the Listing Regulations.

The Resolutions contained in Item No. 3 of the aforementioned Notice, accordingly, seek shareholders' approval through Special Resolution for raising funds as above and this Special Resolution, if passed, will have the effect of allowing the Board to offer, issue and allot Securities, inter alia, Equity Shares to the investors who may or may not be the existing shareholders of the Company. The Equity Shares thus issued, if any, shall rank in all respects pari passu with the existing Equity Shares, including entitlement of dividends, if any.

The resolution proposed is in the best interest of the Company and your directors recommend the Resolution for your approval.

None of the promoters, directors and key managerial personnel of the Company and their relatives are concerned or interested in the proposed resolution except to the extent of their shareholding in the Company.

**Item Nos. 4 to 8:**

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") requires Members approval by means of an ordinary resolution for all material related party transactions, including transactions that are in the ordinary course of business of the concerned company.

As per the Listing Regulations, a transaction with a related party is considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The annual consolidated turnover of Centrum Capital Limited for the financial year ended March 31, 2023 was ₹ 1,31,005.90 lakhs. Accordingly, any transaction(s) with related parties [other than transaction(s) specified under Regulation 23(5) of the Listing Regulations] exceeding ₹ 13,100.59 lakhs (i.e. 10% of the Company's annual consolidated turnover) shall be considered as material transaction and hence, the approval of the Members will be required for the same.

Further, SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022 inter alia provides that shareholders' approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding fifteen months. Accordingly, the approval of members is sought for the RPTs valid upto 46<sup>th</sup> AGM of the Company.

Applicable information pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 for Item Nos. 4 to 8 are provided subsequently in this Explanatory Statement for each item separately.

The Management had provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs.

None of the Directors, KMPs and/ or their respective relatives are in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item Nos. 4 to 8 of the Notice except to the extent of their shareholding in the Company / Related Parties.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item Nos. 4 to 8 of the Notice for approval by the Members. The Members may note that in terms of the provisions of the Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 4 to 8 of the Notice, whether the entity is a Related Party to the particular transaction or not.

**Item No. 4:**

Centrum Broking Limited (CBL): CBL is a subsidiary in the Centrum Group engaged in the securities broking business. As part of the business of the CBL, it seeks financial assistance from lenders in its ordinary course for providing trade guarantees, security deposits, exchange margins, exchange obligations, etc. To enable CBL to obtain the lending at favourable terms, it is necessary and in the ordinary course to provide corporate guarantee to the lender in respect of the borrowings of CBL.

Centrum Housing Finance Limited (CHFL): CHFL is one of the material subsidiaries of the Company registered as NBFC-HFI engaged in the business of housing finance. CHFL from time to time obtains loans from banks/other lenders in its ordinary course for onward lending to its customers and other general corporate purposes. As the parent company of CHFL, it is inherent and therefore becomes necessary, incumbent and in the ordinary course, to support the fund raising activities of CHFL by providing requisite Corporate Guarantees to enable it to borrow from the lenders at competitive rates for its Housing Finance Business.

Unity Small Finance Bank Limited (Unity SFB): The Members may note that Centrum Financial Services Limited (CFSL) and Centrum Microcredit Limited (CML), subsidiaries of the Company, were earlier primarily engaged in the business of lending to SMEs, MSMEs and Microfinance respectively. As part of their business, they routinely raised debt from lenders for onward lending to their customers which was secured by their assets in addition to the Corporate Guarantee(s) provided by the Company. The Members may further note that pursuant to Business Transfer Agreement(s) ("BTA") executed by CFSL and CML, the entire business comprising of all assets and liabilities of CFSL and CML were transferred to Unity SFB as a going concern by way of slump-sale on November 01, 2021. Pursuant to the same, the Company continues to provide the Corporate Guarantee to the lenders for applicable debts which were assigned to Unity SFB pursuant to the BTA.

The limits of the Corporate Guarantee represent 19.08%, 53.43% and 7.63% of the annual consolidated turnover of CCL in respect of Corporate Guarantees for the benefit of CBL, CHFL and Unity SFB respectively. Further, the limits of Corporate Guarantee represent 383.01%, 755.11% and 12.73% of the standalone turnover of CBL, CHFL and Unity SFB respectively. Further, the Member's approval is sought by way of a resolution on account of the limits exceeding the materiality threshold (i.e. more than 10% of the listed entity's consolidated turnover) as specified under the Listing Regulations. Normally, the Company does not charge any commissions to subsidiaries to support their fund raising.

The Members may note that the transactions have been reviewed by the Audit Committee of the Company and they have provided their assent for the same.

Further, the Board of Directors/delegated authority would carefully evaluate the proposals and provide such corporate guarantees from time to time, only for principal business activities of the CHFL which ultimately work towards the attainment of their growth and expansion endeavours in the larger beneficial interest of the stakeholders of the Company.

**Item No. 5:**

Centrum Wealth Limited (CWL) is one of the material subsidiaries of the Company engaged in the Wealth Management business. CWL as part of its Wealth Management business, facilitates investment in listed and unlisted securities, equity and debt securities and other financial products for its customers. Accordingly, CWL from time to time requires funding assistance to manage its short term working capital requirements to uphold its client commitments in relation to the transactions in investment in securities and other working capital purposes. Being a subsidiary of the Company, CWL from time to time requires funding assistance from the Company which may be in the form of Inter Corporate Deposits, short-term loans / debt instruments as may be approved by the Board/delegated authority of the Company and may be secured or unsecured. The Company lends such funds to CWL from its surplus cash arising out of its Investing and/or Financing Activities.

Further, the Members may note that the Company for its working capital requirements, support to other subsidiaries and associates, new business initiatives, repayment of debt and other general corporate purposes raises debt from various sources. Being a holding company in the financial services sector of a number of operating subsidiaries, the Company from time to time relies on its subsidiaries for fund requirements. CWL being one of the profitable material step down subsidiaries of the Company, provides requisite support for meeting such fund requirements. CWL sources the funds from its Operating and / or Financing Activities.

The Members may note that the Company seeks an upper limit on borrowings wherein the amount outstanding by either party to the other shall not exceed ₹ 200,00,00,000/- (Rupees Two Hundred Crores Only) at any given point in time during the term as specified in the resolution as there shall be a large number of transactions, the aggregate cumulative amount may not be ascertained for such transactions.

The overall exposure outstanding of ₹ 200,00,00,000/- (Rupees Two Hundred Crores Only) represent 15.27% of the annual consolidated turnover of the Company and 105.89% of the turnover of CWL.

The Members may note that the transactions have been reviewed by the Audit Committee of the Company and they have provided their assent for the same.

Further, the Members may note that though the transactions are at arms' length and in the ordinary course of business, Members approval is sought by way of a

resolution on account of the limits exceeding the materiality threshold (i.e. more than 10% of the listed entity's consolidated turnover) as specified under the Listing Regulations.

**Item No. 6:**

Centrum Wealth Limited (CWL) is a subsidiary of Centrum Retail Services Limited (CRSL). CWL as part of its Wealth Management business, facilitates investment in listed and unlisted securities, equity and debt securities and financial products for its customers. Accordingly, CWL from time to time requires funding assistance to manage its short term working capital requirements to uphold its client commitments in relation to the transactions in investment in securities and other working capital purposes. Being a subsidiary of the CRSL, CWL from time to time requires funding assistance from CRSL which may be in the form of Inter Corporate Deposits, short-term loans / debt instruments as may be approved by the Board/delegated authority of the Company and may be secured or unsecured. CRSL lends such funds to CWL from its surplus cash arising out of its Investing and/or Financing Activities.

Further, the Members may note that CRSL, for its working capital requirements, support to other subsidiaries and associates, new business initiatives, re-payment of debt and other general corporate purposes raises debt from various sources. CRSL, from time to time relies on its subsidiaries for fund requirements. CWL being one of its profitable subsidiaries, provides requisite support for meeting such fund requirements. CWL sources the funds from its Operating and/or Financing Activities.

The Members may note that the resolution proposed seeks an upper limit on borrowings wherein the amount outstanding by either party to the other shall not exceed ₹ 200,00,00,000/- (Rupees Two Hundred Crores Only) at any given point of time during the term as specified in the resolution as there shall be a large number of transactions, the aggregate cumulative amount may not be ascertained for such transactions.

The overall exposure outstanding of ₹ 200,00,00,000/- (Rupees Two Hundred Crores Only) represent 104.47% of the turnover of CRSL and 105.89% of the turnover of CWL.

The Members may note that the transactions have been reviewed by the Audit Committee of the Company and they have provided their assent for the same.

Further, the Members may note that though the transactions are at arms' length and in the ordinary course of business, Members approval is sought by way of a resolution on account of the limits exceeding the materiality threshold (i.e. more than 10% of the listed entity's consolidated turnover) as specified under the Listing Regulations.

**Item No. 7:**

Centrum Wealth Limited (CWL) is one of the material subsidiaries of the Company engaged in the Wealth Management business. CWL as part of its Wealth Management business, facilitates investment in listed and unlisted securities, equity and debt securities and financial products for its customers. CWL from time to time requires funding assistance which may be in the form of Inter Corporate Deposits, short-term loans / debt instruments as may be approved by the Board/delegated authority of the Company and may be secured or unsecured.

CFSL, being an NBFC-CIC, CRSL, for making investments, support to other group entities, re-payment of debt, on-lending as permitted under NBFC-CIC guidelines and other general corporate purposes intends to raise debt from various sources. CWL being one of its profitable subsidiaries, provides requisite support for meeting such fund requirements. CWL sources the funds from its Operating and/or Financing Activities. CFSL sources the funds out of its Investing and/or Financing Activities.

The Members may note that the resolution proposed seeks an upper limit on borrowings wherein the amount outstanding by either party to the other shall not exceed ₹ 50,00,00,000/- (Rupees Fifty Crores Only) at any given point of time during the term as specified in the resolution as there shall be a large number of transactions, the aggregate cumulative amount may not be ascertained for such transactions.

The overall exposure outstanding of ₹ 50,00,00,000/- (Rupees Fifty Crores Only) represent 26.47% of the turnover of CWL. CFSL, being an NBFC-CIC, did not have any operations during FY 2022-23.

The Members may note that the transactions have been reviewed by the Audit Committee of the Company and they have provided their assent for the same.

Further, the Members may note that though the transactions are at arms' length and in the ordinary course of business, Members approval is sought by way of a resolution on account of the limits exceeding the materiality threshold (i.e. more than 10% of the listed entity's consolidated turnover) as specified under the Listing Regulations.

**Item No. 8:**

The Company is a listed Category I Merchant Banker, engaged in carrying on merchant banking activities and is governed by SEBI Rules and Regulations. The other businesses of the Company within the financial services spectrum are carried on by the various subsidiaries / step-down subsidiaries / Associates, which are inter alia respectively engaged in the business of Stock broking, IT and HR Management Services, Wealth Management, Housing Finance, Banking, Asset Management business, ("Centrum Group") etc.

Given the nature of the businesses of the Companies in the Centrum Group, there is a recurring movement of money within the Centrum Group entities for short durations to seize the business opportunities with limited turn-around times for arrangement on sufficient liquidity.

It is inherent and therefore becomes necessary and incumbent and in the ordinary course, that each entity in the Centrum Group supports the other entities by periodic capital infusions through customary modes as are prevalent in the industry, towards the attainment of growth and expansion endeavours and optimal use of capital, in the larger beneficial interest of the stakeholders of the Company. Necessarily, from a strategic perspective, it entails inter-alia investments, divestments, buy-back of securities, purchase and or sale of assets / securities, entering into leasing arrangements, provision / availing of services, management services, professional services etc. and lending/borrowing, providing corporate guarantees and securities for existing/new credit facility(ies). Normally, no entity would charge any commissions for any Corporate Guarantees provided to any lender to support the fund raising of any entity within the Centrum Group.

The Members may note that the approval sought vide this item excludes from within its ambit:

- a. transactions of the Company with its wholly-owned subsidiaries; and
- b. the transactions between 2 wholly-owned subsidiaries whose accounts are consolidated with that of Company;
- c. transactions for which specific approval of the Committee has been sought in Items 4 to 8 of this Notice.

The Members may note that Board of Directors of each entity and / or the Audit committees of the respective Boards would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, for business activities of the entities in Centrum Group.

Since some of the above contemplated transactions are not fixed for any particular term, it is not possible for the Company to ascribe an explicit monetary value to such transactions. However, Related Party Transaction shall be reported to the Audit Committee and/or Board in terms of the provisions of the Companies Act, 2013 and the Listing Regulations.

In view of the above, approval of the Members is being sought for following transactions/ contracts which may be entered into by the Company with its related parties for an amount not exceeding the limits stated herein below during the Financial Year 2023-24 and up to the conclusion of the 46th Annual General Meeting of the Company, which presently exceed and are likely to exceed in future, the threshold for material related party transactions as prescribed under applicable law, from time to time:

Name of the Company	Relationship with the Company	Nature of Transaction	Aggregate Limit (INR)	% with respect to Entity's Turnover* (in %)	Turnover (INR in Lakhs)
Centrum Capital Limited	Company	1. Investment / Disinvestment / buyback of securities,  2. Purchase and or sale of assets / securities, entering into leasing arrangements, provision / availing of services, management services, professional services. etc  3. Lending / borrowing, providing and receiving corporate guarantees and providing securities for existing/new credit facility (ies) whether availed by the company or it's group companies	300 crores	22.90	1,31,005.90
Centrum Retail Services Limited	Subsidiaries			156.70	19,144.36
Centrum Broking Limited				459.61	6,527.31
Centrum Financial Services Limited			0.00	0	
Centrum Housing Finance Limited			323.62	9,270.09	
Centrum Capital Advisors Limited			8,297.38	361.56	
Modulus Alternatives Investment Managers Limited			300 crores	4921.91	609.52
Centrum Alternatives LLP			0.00	0	
Ignis Capital Advisors Limited			9,868.42	304.00	
Centrum International Services PTE Limited			6,102.89	491.57	
Centrum Capital International Limited			300 crores	5,22,648.08	5.74
Centrum Wealth Limited	Step-down Subsidiaries		158.85	18,885.86	
Centrum Insurance Brokers Limited			10,337.34	290.21	
Centrum Investment Advisors Limited			1,413.67	2,122.14	
Unity Small Finance Bank Limited			38.20	78,526.02	
Acorn Fund Consultants Private Limited**	Associate Company	17,683.47	169.65		

\*Consolidated for Centrum Capital Limited and Standalone for other entities.

\*\* Turnover specified is for FY 2021-22.

**Item No. 9:**

It is proposed to take approval of the Members of the Company for authorization to the Board for making donation to bonfide charitable and other funds under Section 181 of Companies Act, 2013, upto an aggregate amount of contribution to such funds in a financial year shall not exceed the limits as set out in section 181 or a sum of ₹ 1 crore, whichever is higher.

The Board recommends the aforesaid Ordinary Resolution set out at Item No. 9 for the approval of the Members of the Company.

None of the Directors/Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 9.

**By order of the Board of Directors,  
For Centrum Capital Limited**

Place: Mumbai  
Date: May 19, 2023

**Parthasarathy Iyengar  
Company Secretary  
ACS No. 21472**

**Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the Directors seeking Appointment/Re-appointment in the 45<sup>th</sup> Annual General Meeting:**

<b>Name of the Director</b>	<b>Mr. Rishad Byramjee</b>
<b>Date of Birth/(Age)</b>	19-04-1981
<b>Qualifications</b>	B. Com, Master's Degree in Logistics and Supply Chain Management
<b>Date of first appointment on the Board</b>	11-03-2003
<b>Remuneration</b>	₹ 3,80,000/- (sitting Fees)
<b>Experience/Brief Profile</b>	He is the Managing Director of the Casby Logistics Group of Companies since 2003. Under his leadership, the company expanded its Logistics operations from a regional scale to a Pan-India scale within the business verticals of Air, Sea, Surface and Rail Cargo movement. His contemporary management style combined with the family values on which the company was built have influenced steady growth in the face of adversity and global slowdowns. He leads the diversification and expansion program at Casby and has successfully initiated new businesses such as Solution Design, Warehousing and Refrigerated solutions. He is also involved in the growth of the other Group offerings that include Construction & Real Estate development, Digital Security & Surveillance, telecommunications and Software Development
<b>Terms and conditions of appointment / re-appointment</b>	Appointed as a Director liable to retire by rotation.
<b>Directorships held in other companies (excluding foreign companies) as on date</b>	<ol style="list-style-type: none"> <li>1. Lion Estates Private Limited</li> <li>2. Aquarius Estates Private Limited</li> <li>3. Nightingale Estates Private Limited</li> <li>4. Casby Global Air Private Limited</li> <li>5. Sea Freight Private Limited</li> <li>6. Machado and Sons Agents and Stevedores Private Limited</li> <li>7. M Dinshaw and Company Private Limited</li> <li>8. Kavita Stockbrokers Private Limited</li> <li>9. Risk Financial Consultancy Private Limited</li> <li>10. Jakari Developers Private Limited</li> <li>11. Kaikobad Byramjee and Sons (Agency) Private Limited</li> <li>12. Casby Logistics Private Limited</li> <li>13. Sika Properties Private Limited</li> <li>14. Centrum Financial Services Limited</li> </ol>
<b>Memberships / Chairpersonship of committees across companies (only Statutory Committees as required to be constituted under the Act is considered)</b>	Centrum Capital Limited: <ol style="list-style-type: none"> <li>1. Stakeholders Relationship Committee - Chairman</li> <li>2. Audit Committee – Member</li> <li>3. Corporate Social Responsibility Committee – Member</li> </ol>
<b>Shareholding in the Company (Equity) as on March 31, 2023</b>	7,43,100 equity shares
<b>Relationship with other Directors / Manager/ Key Managerial Personnel</b>	Mrs. Mahakhurshid Byramjee is the mother of Mr. Rishad Byramjee.
<b>Number of Board Meetings attended during FY 2022-23</b>	4

*For details pertaining to the remuneration last drawn, please refer the Corporate Governance Report forming part of Board's Report.*

**By order of the Board of Directors,  
For Centrum Capital Limited**

Place: Mumbai  
Date: May 19, 2023

**Parthasarathy Iyengar  
Company Secretary  
ACS No. 21472**











CENTRUM

CIN - L65990MH1977PLC019986

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