Centrum Wealth Management Limited

Annual Report 2019-20

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Board of Directors

Deepa Poncha
Non-Executive Director

S. Ganashyam
Wholetime Director

Arpita Vinay
Wholetime Director

Rajesh Nanavaty
Non-Executive Director

Subhash Kutte
Independent Director

G. S. Sundararajan
Independent Director

Key Managerial Personnel

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Corporate Information

Registered Office

2nd Floor, Bombay Mutual Building, Dr. D.N. Road, Fort, Mumbai - 400001

Corporate Office

Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz, Mumbai 400098

Tel – 022 – 42159000

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

Website – www.centrum.co.in

Statutory Auditor

A.T. Jain & Co.

Registrar & Share Transfer Agents

Link Intime Private Limited
C-101, 247 Park, LBS Marg,
Vikhroli West,
Mumbai 400083

Tel – 022 – 49186270

Directors Report

DIRECTORS' REPORT

To
The Members,
Centrum Wealth Management Limited,
Mumbai

Your Directors are pleased to present the Thirteenth Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

(Rs.in Lacs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Gross Income	**7,640.86**	**12,383.09**
Profit/ (Loss) before tax	**(3,686.92)**	**210.24**
Less: Taxation Expenses	0.86	201.12
Profit /(Loss) after tax	**(3,687.77)**	**9.12**
Add: Other comprehensive income/(loss) for the year	(1.59)	0.31
Add: Balance of profit/ (loss) for earlier years	(1,975.28)	(1,984.07)
Balance carried forward	**(5,664.00)**	**(1,975.28)**

FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

The Gross income of the Company is Rs. 7,640.86 Lacs in FY 2019-20, as against Rs. 12,383.09 Lacs in the previous year. The net loss after tax is Rs. 3,687.77 Lac in FY 2019-20, as against profit of Rs. 9.12 Lacs in the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of this Annual Report.

TRANSFER TO RESERVES

The Company has not transferred any amount to General Reserves.

SHARE CAPITAL

During the period under review, there has been no change in the authorized as well as paid-up share capital of the Company.

DIVIDEND

With a view to conserve the resources, the Directors decided not to recommend any dividend for the financial year 2019-20.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

A separate statement containing salient features of financial statement of the Company's subsidiary Companies in Form AOC-1 is attached as ***Annexure 1***.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The onset of Covid-19 in February 2020 in India, resulted in a nation-wide lockdown on March 25, 2020. This may impact the growth prospects of the Company due to overall economic slow-down across business segments. The growth strategies will have to be re-calibrated considering the revised economic scenarios. Various measures are being announced by Regulators to support the economy, the impact of which is difficult to assess at present.

The onset of COVID -19 has no major impact on financials of the Company for the year ended March 31, 2020, but may have impact on the H1 results of the Company for the financial year 2020-21.

Detailed repercussions on account of the Covid-19 pandemic is provided in Management Discussion and Analysis which forms part of this report.

AUDITORS AND AUDITORS' REPORT

The members of the Company at the 12th Annual General Meeting of the Company held on August 01, 2019, reappointed M/s. A. T. Jain & Co, Chartered Accountants as a Statutory Auditor, until the conclusion of the 17th Annual General Meeting of the Company to be held in the year 2024. The tenure will get over at the ensuing Annual General Meeting of the Company.

There are no observations/ qualifications of the Auditors in their report for the FY 2019-20.

Further, there were no frauds reported by auditors under sub-section (12) of section 143.

SECRETARIAL AUDIT

The Board had appointed Ms. Priyanka J & Associates, Company Secretary in practise, as Secretarial Auditor, to conduct the secretarial audit, for the Financial Year ended March 31, 2020. In pursuant to the provisions of Section 204 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Report of the Secretarial Auditor is provided as ***Annexure 2*** to this Report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report.

COST AUDITOR

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. R S Reddy was appointed as an Independent Director w.e.f June 21, 2019. He resigned as an Independent director w.e.f from June 05, 2020. Your Directors place on record their appreciation for the valuable contribution made by Mr. Reddy for his insights, opinions and guidance provided to the Company during the tenure of his Directorship.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. S Ganashyam (DIN: 02370933) retires by rotation in the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

Ms. Archana Goyal resigned as Company Secretary of the Company w.e.f August 22, 2019. Ms. Snehal Saboo appointed as Company Secretary of the Company w.e.f September 06, 2019.

Mr. Narayan Krishnan resigned as the Chief Financial Officer of the Company w.e.f April 04, 2020.

Mr. Mayank Jalan was appointed as Chief Financial Officer of the Company and Mr. G. S. Sundararajan was appointed as an Independent Director of the Company at the Board Meeting held on June 19, 2020.

MEETINGS OF THE BOARD AND ITS COMMITTEES

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

Particulars	Board	Audit Committee	Nomination & Remuneration Committee
Number of Meetings	4	4	2
Dates of Meetings	1. May 08, 2019 2. September 06, 2019 3. December 11, 2019 4. February 11, 2020	1. May 08, 2019 2. September 06, 2019 3. December 11, 2019 4. February 11, 2020	1. May 08, 2019 2. September 06, 2019
No. of meetings attended by Directors / Committee members	As given below	As given below	As given Below
Deepa Poncha	3 out of 4	NA	2 out of 2
Rajesh Nanavaty	4 out of 4	4 out of 4	1 out of 1
S. Ganashyam	4 out of 4	1 out of 1	NA
Arpita Vinay	3 out of 4	NA	NA
Subhash Kutte	4 out of 4	4 out of 4	2 out of 2
R S Reddy	3 out of 3	3 out of 3	1 out of 1

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

RISK MANAGEMENT POLICY

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

With volatility and fluctuations in the nature of business in which the Company operates, it is exposed to various risks and uncertainties. Since such variations can cause deviations in operations and affect the financials of the company, the focus on risk management continues to be high.

Centrum’s risk management strategy has product neutrality, speed of trade execution, reliability of access and delivery of service at its core. Multiple products and diverse revenue streams enable the Company to ensure a continued offering of customized solutions to suit clients’ needs at all times. In the opinion of the Board, during the financial year 2019-20, the Board has not noticed any elements of risk which may threaten the existence of the Company.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN, AND SECURITIES PROVIDED

Details of loans, guarantees and investments as on March 31, 2020 have been disclosed in the Financial Statements.

INTERNAL FINANCIAL CONTROL AND ADEQUACY

The internal financial controls with reference to financial statements as designed and implemented by the Company are adequate. During the financial year under review, no material or serious observations were received from the statutory auditors of the Company for inefficiency or inadequacy of such controls.

RELATED PARTY TRANSACTIONS

Most of the related party transactions entered into during the period under review were at an arm's length basis and in the ordinary course of business. The other transactions, viz. particulars of contracts or arrangements with related party referred to in section 188(1) along with the justification for entering into such contract or arrangement is provided in form AOC-2 which is attached as ***Annexure 1a*** to this report.

DISCLOSURES BY DIRECTORS

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

AUDIT COMMITTEE

The constitution of the Audit Committee as on March 31, 2020 is as follows:

Name	Category	Designation in Committee
Mr. R S Reddy	Independent Director	Chairman
Mr. Subhash Kutte	Independent Director	Member
Mr. Rajesh Nanavaty	Non-Executive Director	Member

The details of meetings held along with the Attendance of the Committee members are provided herein above under the head "Meetings of the Board and its Committees."

NOMINATION & REMUNERATION COMMITTEE

The constitution of the Nomination & Remuneration Committee as on March 31, 2020 is as follows:

Name	Category	Designation in Committee
Mr. Subhash Kutte	Independent Director	Chairman
Mr. R S Reddy	Independent Director	Member
Ms. Deepa Poncha	Non-executive Director	Member

The details of meetings held along with the Attendance of the Committee members are provided herein above under the head "Meetings of the Board and its Committees."

DIRECTORS' RESPONSIBILITY STATEMENT

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

Pursuant to Section 134 of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PERFORMANCE EVALUATION

The Directors on the Board of the Company independently evaluated the performance of the Board as a whole, its Committee, the Chairperson and individual directors (excluding the director being evaluated) by filling the evaluation /question sheet and submitted it to the Chairman.

While reviewing, the directors, inter alia, considered key functions and responsibilities of the Board as mentioned in the Companies Act, 2013. The evaluation was done after taking into consideration inputs received from the Directors, setting out parameters of evaluation. Evaluation parameters of the Board and Committees were mainly based on Disclosure of Information, Key functions of the Board and Committees, responsibilities of the Board and Committees, etc.

CORPORATE SOCIAL RESPONSIBILITY

Provisions of section 135 of the Act concerning the constitution of Corporate Social Responsibility Committee and related matters were not applicable to the Company for FY 2019-20.

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

In view of the nature of activities of the Company, requirement of furnishing details in respect of conservation of energy and technology absorption is not applicable to the Company.

Details of foreign exchange earnings and outgo are as below:

Particulars	For period ended	
	31.03.2020	31.03.2019
Foreign exchange earned in terms of actual inflows	2,02,94,718	1,66,48,189
Foreign exchange outgo in terms of actual outflows	1,83,48,869	10,18,754

HUMAN RESOURCE AND EMPLOYEE RELATIONSHIP

There is an ongoing emphasis on building a progressive work culture within the organization. Structured initiatives that foster motivation, team work and result-orientation continue to be addressed. Your Directors further state that during the period under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

NOMINATION AND REMUNERATION POLICY

The Company has framed a Remuneration Policy pursuant to Section 178 of the Companies Act, 2013. The Policy is provided as ***Annexure 3*** to this report.

COMPLIANCE WITH SECRETARIAL STANDARDS

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

EXTRACT OF ANNUAL RETURN

An extract of annual return in Form MGT-9 is attached to this report as ***Annexure 4***.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

GENERAL

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

1. Details relating to Deposits covered under Chapter V of the Companies Act 2013;
2. Issue of equity shares with differential rights as to dividend, voting or otherwise;
3. Issue of equity shares (including sweat equity shares) and ESOS to employees of the Company under any scheme;
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company’s operations in future and
5. There were no instances of non-exercising of voting rights in respect of shares purchased directly by the employees under a scheme pursuant to section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debenture) Rules, 2014 and hence no information has been furnished.

ACKNOWLEDGEMENTS

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

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

BY ORDER OF THE BOARD
FOR CENTRUM WEALTH MANAGEMENT LIMITED

S Ganashyam
Whole Time Director
DIN: 02370933

Arpita Vinay
Whole Time Director
DIN: 06940663

Place: Mumbai
Date: June 19, 2020

Note: Annexure 5 does not form a part of this report. The same is duly filed with MCA and circulated amongst members of the Company as per the relevant provisions. A copy of the same can be obtained on request.

Annexure 1
Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

Part "A": Subsidiaries
(Information in respect of each subsidiary to be presented with amounts in Rupees)

Sr. No.	Particulars	1
1	Name of the Subsidiary	Centrum Investment Advisors Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR
4	Share capital	50,00,000
5	Reserves & surplus	
6	Total assets	
7	Total Liabilities	
8	Investments	NA
9	Turnover	
10	Profit before taxation	
11	Provision for taxation	
12	Profit after taxation	
13	Proposed Dividend	
14	% of shareholding	51

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Sr. No.	Particulars	1 (Associate)	2 (Joint Venture)
1	Name of Associates/Joint Ventures	N.A.	N.A.
2	Shares of Associate/Joint Ventures held by the company on the year end	N.A.	N.A.
a	No. of shares	N.A.	N.A.
b	Amount of Investment in Associates/Joint Venture	N.A.	N.A.
c	Extend of holding (%)	N.A.	N.A.
3	Description of how there is significant influence	N.A.	N.A.
4	Reason why the associate/joint venture is not consolidated	N.A.	N.A.
5	Networth attributable to Shareholding as per latest audited Balance Sheet	N.A.	N.A.
6	Profit / Loss for the year	N.A.	N.A.
a	Considered in Consolidation	N.A.	N.A.
b	Not Considered in Consolidation	N.A.	N.A.

By order of the Board
For Centrum Wealth Management Limited

S Ganashyam	**Arpita Vinay**
Whole Time Director	**Whole Time Director**
DIN: 02370933	**DIN: 06940663**

Place: Mumbai
Date: June 19, 2020

Annexure 1(a)

FORM NO. AOC -2

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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. **NA**

Sr. No	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions'	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2020, are as follows:

Sr. No	Name(s) of the related party & Nature of relationship	Nature of transactions	Transactions Value (Rs. in Crores)	Duration of transactions	Salient terms of transactions	Date of approval by the board	Amount paid in advance (Rs. in Crores)
1	JBCG Advisory Services LLP	To purchase NCDs from JBCG to further sale to its Client/s.	Upto Rs. 50 Crores	As per terms decided from time to time	At FV	May 28, 2019	No
2	Centrum Financial Services Limited	To purchase Securities/Investments/NCDs from CFSL to further sell to its Client/s.	Upto Rs. 100 Crores each year	As per terms decided from time to time	At FV	September 06, 2019	No
3	Centrum Retail Services Limited	Business support services fee	Rs.4,20,00,000	Annual	Business support services provided by CRSL with regards to HR, Admin and other services	September 06, 2019	No
4	Centrum Alternative Investment Managers Limited	Commission received	Rs. 6,83,75,000/-	One time	Commission for referring clients to subscribe securities .	December 11, 2019	No

By order of the Board
For Centrum Wealth Management Limited

S Ganashyam
Whole Time Director
DIN: 02370933

Arpita Vinay
Whole Time Director
DIN: 06940663

Place: Mumbai
Date: June 19, 2020

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,
The Members,
Centrum Wealth Management Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices By **Centrum Wealth Management Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31st March, 2020 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; (Not Applicable)

        b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not Applicable)

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

d. The Securities and Exchange Board of India (Shares Based Employee Benefit Regulation), 2014; (Not Applicable)

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

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable as the company not registered as Registrars or Shares Transfer Agents)

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable)

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

2. 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) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Not Applicable as the Securities of the Company is not Listed on any Stock Exchanges)

During the period under review, the Company has complied with the all material provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period, the Company has following specific events:

a) Pursuant to Special Resolution passed in the Extra-ordinary General Meeting of the Company dated 12th February, 2020 the Company has altered its Object Clause of memorandum of Association.

b) Pursuant to resolution passed in Extra-ordinary General Meeting dated 10th October, 2019 the Company has granted for payment of performance bonus of Rs.65,00,000/- for FY 2018 – 19, to Mr. S. Ganashyam, Managing Director and 50,00,000/- for the FY 2018-19 to Ms. Arpita Vinay, Managing Director of the Company.

c) Pursuant to resolution passed in Extra-ordinary General Meeting dated 10th October, 2019 the Company has approved the purchase Securities/ Investment / NCD from Centrum Financial Services Limited for further sale to its Clients.

For Priyanka J & Associates
Company Secretaries

Priyanka Jain
Proprietor
Membership No.: A45252
C. P. No.: 18217
UDIN:

Date: June 19, 2020
Place: Mumbai

Annexure-I

To,
The Members,
Centrum Wealth Management Limited

Our 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 Management Limited (hereinafter called '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 process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion for the Propose of Issue of Secretarial Audit Report.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Due to "Covid 19" situations we are unable to check the records maintain with the Company in physical form hence wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

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.

For Priyanka J & Associates
Company Secretaries

Priyanka Jain
Proprietor
Membership No.: A45252
C. P. No.: 18217
UDIN:

Date: June 19, 2020
Place: Mumbai

Annexure 3 to the Directors' Report

1. OBJECTIVE & APPLICABILITY

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

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

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

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

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

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

1.6 Applicability:

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

2. DEFINITIONS

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

2.2. **Board** means Board of Directors of the Company.

2.3. **Directors** mean Directors of the Company.

2.4. Key Managerial Personnel means

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

2.4.2. Whole-time director;

2.4.3. Chief Financial Officer;

2.4.4. Company Secretary; and

2.4.5. Such other officer as may be prescribed.

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

3. ROLE OF COMMITTEE

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

The Committee shall:

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

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

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

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

3.2.1. Appointment criteria and qualifications

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

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

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

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

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

3.2.2. Term / Tenure

a) Managing Director/Whole-time Director:

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

b) Independent Director:

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

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3. Removal

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

3.2.4. Retirement

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

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

3.3.1. General:

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

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

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

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

3.3.2. Remuneration to KMP and Senior Management Personnel:

a) Fixed pay:

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

b) **Minimum Remuneration:**

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

c) **Provisions for excess remuneration:**

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

3.3.3. Remuneration to Non- Executive / Independent Director:

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

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

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

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

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

Overall remuneration practices should be consistent with recognised best practices.

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

1. Number of the Board/ Committee meetings attended

2. Contribution during the Meeting.

3. Informal Interaction with the Management

4. Active Participation in strategic decision making

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

4. CONSTITUTION OF COMMITTEE:

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

5. NOMINATION DUTIES

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

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

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

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

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

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

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

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

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

5.9 Recommend any necessary changes to the Board; and

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

6. REMUNERATION DUTIES

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

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

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

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

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

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

7. MINUTES OF COMMITTEE MEETING

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

8. APPLICABILITY TO SUBSIDIARIES

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

9. REVIEW AND AMMENDMENT

1. The NRC or the Board may review the Policy as and when it deems necessary
2. The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary
3. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance officer where there are any, statutory changes necessitating the change in this policy.

10. COMPLIANCE RESPONSIBILITY

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

By order of the Board
For Centrum Wealth Management Limited

S Ganashyam	**Arpita Vinay**
Whole Time Director	**Whole Time Director**
DIN: 02370933	**DIN: 06940663**

Place: Mumbai
Date: June 19, 2020

ANNEXURE 4 to Directors' Report

Extract of Annual Return as on the financial year ended on 31st March, 2020

FORM No. MGT-9

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U65993MH2008PLC178252
Gross	Registration Date	25th January 2008
iii.	Name of the Company	Centrum Wealth Management Limited
iv.	Category / Sub-Category of the Company	Public Company/Limited by shares
v.	Address of the Registered office & Corporate Office and Contact details	**Registered Office:** Bombay Mutual Building, 2nd Floor, Dr. D N Road, Fort, Mumbai 400001. **Corporate Office:** Centrum House, Vidaynagari Marg, Kalina , Santacruz (East), Mumbai 400098. Contact : Tel Number : 022 4215 9000
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited,C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai-400 078 Tel No: +91 22 25946970 Fax No: +91 22 25946969

II. Principal Business activities of the Company

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

Sr. No.	Name and Description of main products / Services	NIC Code of the Product/ service	% to total turnover of the Company
1	Financial Consultancy Services	99715910	100.00%

III. Particulars of Holding, Subsidiary and Joint Ventures of the Companies as on 31.03.2020

Sr No	Name, Address and CIN of the Company	Holding/Subsidiary/Associate	%age of shares held	Applicable section
1	Centrum Retail Services Limited. Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz (E), Mumbai-98. U74999MH2014PLC256774	Holding	65.59	2(46)
2	Centrum Investment Advisors Limited Centrum House, C.S.T Road, Vidyanagari Marg, Kalina, Santacruz, East,	Subsidiary	51	2(87)(ii)

IV. Shareholding Pattern (Equity Share Capital Breakup as a percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 1st April, 2019				No. of Shares held at the end of the year 31st March, 2020			
	Demat	Physical	Total	% of Total share capital	Demat	Physical	Total	% of Total share capital
A. Promoters								
(1) **Indian**								
(a) Individuals/ HUF	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-
(d) Bodies Corp.	13,118,000	-	13,118,000	65.59	13,118,000	-	13,118,000	65.59
(e) Banks / FI	-	-	-	-			-	
(f) Any Other....	-	-	-	-			-	
Sub Total (A)(1):-	**13,118,000**	**-**	**13,118,000**	**65.59**	**13,118,000**	**-**	**13,118,000**	**65.59**
(2) **Foreign**	-	-	-	-	-	-	-	-
(a) NRI Individuals	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-
Sub Total (A)(2):-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**13,118,000**	**-**	**13,118,000**	**65.59**	**13,118,000**	**-**	**13,118,000**	**65.59**
B. Public Shareholding	-	-	-	-	-	-	-	-
(1) **Institutions**	-	-	-	-	-	-	-	-
(a) Mutual Funds	-	-	-	-	-	-	-	-
(b) Banks FI	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-
(d) State Govet(s)	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-
* Financial Institutions	-	-	-	-	-	-	-	-
* Goverment Companies	-	-	-	-	-	-	-	-
* State Financial Corporation	-	-	-	-	-	-	-	-
* Market Makers	-	-	-	-	-	-	-	-
* Any Other	-	-	-	-	-	-	-	-
* Otc Dealers (Bodies Corporate)	-	-	-	-	-	-	-	-
* Private Sector Banks	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-

(2) **Non-Institutions**								
(a) Bodies Corp.								
(i) Indian	-	-	-		-	-	-	-
(ii) Overseas	-	-	-		-	-	-	-
(b) Individuals	-	-	-		-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-		-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6,882,000.00	-	6,882,000	34.41	6,882,000	-	6,882,000	34.41
(c) Others (specify)	-	-	-		-	-	-	-
* N.R.I. (Non-Repat)	-	-	-		-	-	-	-
* N.R.I. (Repat)	-	-	-		-	-	-	-
* Trust	-	-	-		-	-	-	-
* Hindu Undivided Family	-	-	-		-	-	-	-
* Employee	-	-	-		-	-	-	-
* Clearing Members	-	-	-		-	-	-	-
* Depository Receipts	-	-	-		-	-	-	-
Sub-total (B)(2):-	**6,882,000**	**-**	**6,882,000**	**34.41**	**6,882,000**	**-**	**6,882,000**	**34.41**
Total Public Shareholding (B) = (B)(1)+(B)(2)	**6,882,000**	**-**	**6,882,000**	**34.41**	**6,882,000**	**-**	**6,882,000**	**34.41**
C. Total shares held by Custodian for GDRs & ADRs	-	-	-		-	-	-	-
GrandTotal(A + B + C)	**20,000,000**	**-**	**20,000,000**	**100.00**	**20,000,000**	**-**	**20,000,000**	**100.00**

ii) Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		1st April, 2019			31st March, 2020			
		No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares #	
1	Centrum Retail Services Limited	13,118,000	100.00	-	13,118,000	100.00	-	-

Gross Salary Per annum

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

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	**CWML-EMPLOYEE SHARES-OPERATED BY-CRAWFORD BAYLEY & CO.***	**6,882,000**	**34.41**	**6,882,000**	**34.41**

**Note - Shares are held on behalf of Employees of CWML as per Escrow Agreement dated March 29, 2019.*

iv) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	**Mr. S. Ganashyam**	**580,000**	**2.90%**	**580,000**	**2.90%**
2	**Ms. Arpita Vinay**	**580,000**	**2.90%**	**580,000**	**2.90%**
3	**Mr. Narayan Krishnan**	**15,000**	**0.08%**	**15,000**	**0.08%**

**Note - Shares are held on behalf of Employees of CWML as per Escrow Agreement dated March 29, 2019.*

Mr. Narayan Krishnan resigned w.e.f April 04, 2020

V. INDEBTEDNESS

Particulars	Secured loans excluding deposits (Rs)	Unsecured loans (Rs)	Deposits (Rs)	Total Indebtedness (Rs)
Gross Salary Per annum				
i) Principal Amount	21,16,515	56,45,51,892		56,66,68,407
ii) Interest due but not paid	-			
iii) Interest accrued but not due	-			
Total (i+ii+iii)	**2,116,515**	**56,45,51,892**		**56,66,68,407**
Change in indebtedness during the financial year				
Addition (net)		3,68,78,00,000		3,68,78,00,000
Reduction	7,32,348	3,41,60,00,000		3,41,67,32,348
Exchange difference				
Net change	**(7,32,348)**	**27,18,00,000**		**27,10,67,652**
Indebtedness at the end of financial year				
i) Principal Amount	13,84,167	83,63,51,892		83,77,36,059
ii) Interest due but not paid		5,70,41,206		5,70,41,206
iii) Interest accrued but not due		1,61,556		1,61,556
Total (i+ii+iii)	**13,84,167**	**89,35,54,654**		**89,49,38,821**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Managing Director/ Whole Time Director/Manager

Particulars of remuneration	Mr. S. Ganashyam	Ms. Arpita Vinay
Gross Salary Per annum		
a) Salary as per provisions contained in section 17(1) of the Income Tax Act,1961	11,900,004	8,912,521
b) Value of perquisites u/s 17(2) Income Tax Act, 1961	Nil	19,800
c) Profits in lieu of salary u/s 17(3) of the Income Tax Act,1961	Nil	Nil
Stock option	Nil	Nil
Sweat Equity	Nil	Nil
Commission	Nil	Nil
>as a % of profit	Nil	Nil
>others	Nil	Nil
Performance Incentives / Bonus/ Arrears paid for earlier period/s	6,500,000	5,000,000

B. Remuneration to other directors:

Particulars of remuneration	Name of the Directors		Total Amount
Independent Directors	**Mr. R S Reddy**	**Mr. Subhash Kutte**	
Fee for attending board /committee meetings	300,000	420,000	720,000
Commission	0	0	0
Others, please specify	0	0	0
Total (1)	**300,000**	**420,000**	**720,000**
Other Non-Executive Directors	**Mr. Rajesh Nanavaty**	**Ms. Deepa Poncha**	
Fee for attending board / committee meetings	420,000	0	420,000
Commission	0	0	0
Others, please	0	0	0
Total (2)	**420,000**	**0**	**420,000**
Total (B)=(1+2)	**720,000**	**420,000**	**1,140,000**
Total Managerial Remuneration			
Overall Ceiling as per the Act			

C. Remuneration To Key Managerial Personnel Other Than MD/ Manager/ WTD

Particulars of remuneration	Mr. Narayan Krishnan*	Ms. Snehal Saboo**
Gross Salary		
a) Salary as per provisions contained in section 17(1) of the Income Tax Act,1961	2,986,509	429,732
b) Value of perquisites u/s 17(2) Income Tax Act, 1961		0
c) Profits in lieu of salary u/s 17(3) of the Income Tax Act,1961	0	0
Stock option	0	0
Sweat Equity	0	0
Commission	0	0
>as a % of profit	0	0
>others	0	0
Others (please specify)	400,000	41,000

** Remuneration is drawn from the holding Company (CRSL)*

*** Appointed as Company Secretary on September 06, 2019*

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

I. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

By order of the Board
For Centrum Wealth Management Limited

S Ganashyam	**Arpita Vinay**
Whole Time Director	**Whole Time Director**
DIN: 02370933	**DIN: 06940663**

Place: Mumbai
Date: June 19, 2020

Management Discussion & Analysis

MANAGEMENT DISCUSSION ANALYSIS

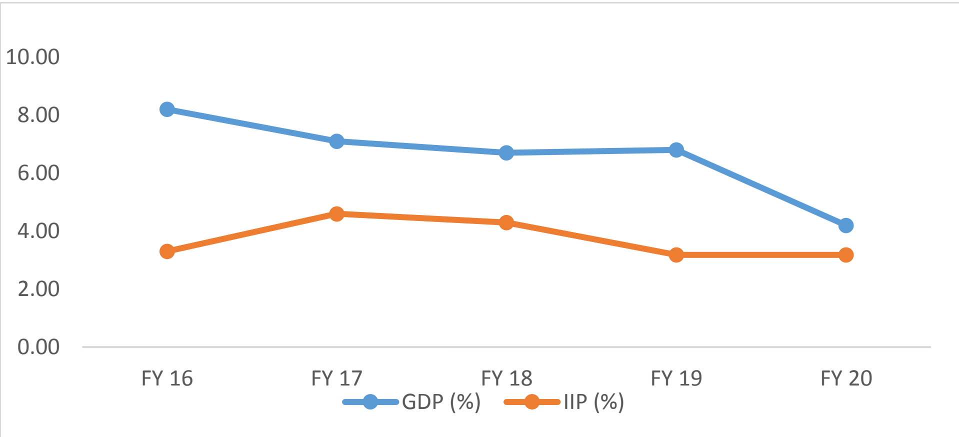
ECONOMY OVERVIEW

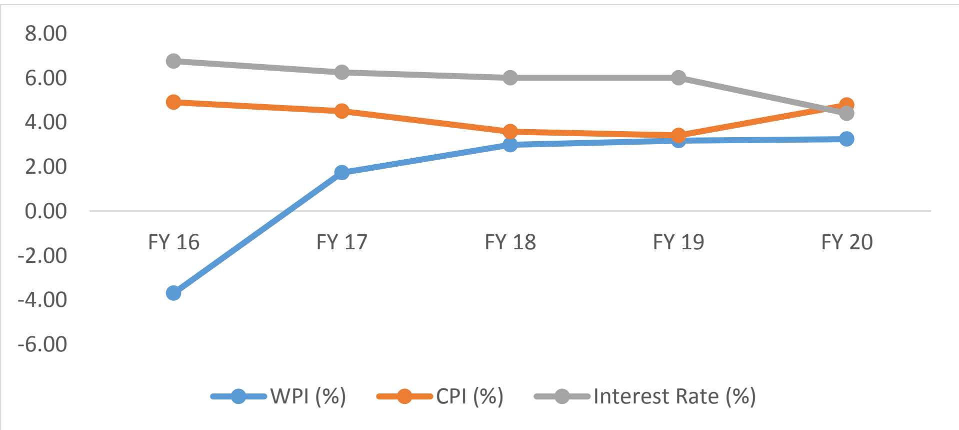
Over the past few years, India has emerged as one of the fastest growing economies in the world, despite reaching a marginal GDP growth of 4.2% in FY2020. Going forward, as with all economies, India, too will face significant revisions to its growth projections post the COVID-19 lockdown of March - May 2020.

FY2020 commenced with the National Democratic Alliance (NDA) winning the General Elections, signalling continuity in the Central Government's economic policies. In spite of starting the year on a positive note, the Indian economy witnessed a continued downfall due to stress in the non-banking financial sectors, global trade wars between USA and China and a sharper than expected slowdown in domestic demand.

The Union Budget 2019-20 provided support to Micro, Small and Medium Enterprises (MSMEs) and the Infrastructure sector with a renewed focus on reducing red tapism, building social infrastructure and initiatives such as Digital India and Make in India. India's GDP growth slowdown was seen to be bottoming out, but the unexpected lockdown on account of COVID-19 in Q4 FY2020 crippled most commercial activities, leading to a prolonged slowdown for both, the Indian and Global economies.

Economic Indicators (Source: MOSPI, RBI and Office of Economic Advisor)





ECONOMIC HIGHLIGHTS - FY2020

The Indian economy grew marginally by 4.2% in FY2020, majorly impacted by slowdown in domestic consumption demand and the COVID-19 outbreak. The Index of Industrial production declined marginally by 0.7%, Consumer durables and consumer non-durables segment witnessed a growth of 5.5% and 4% in FY2020. Inflation stayed within the Reserve Bank of India's (RBI) comfort zone. The Wholesale Price Index (WPI) based inflation and Consumer Price Index (CPI) based inflation stood at 4.78% and 3.24%, respectively.

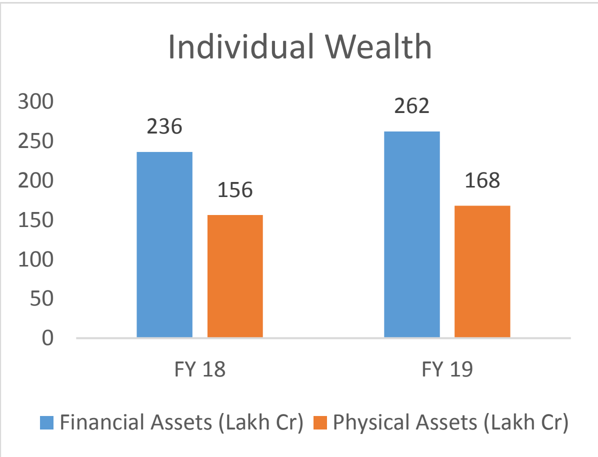
Range bound inflation always offers room for a rate cut. The RBI has eased monetary policy by delivering total Repo rate cuts of 185 bps in FY2020. The RBI obliged to lower inflation and maintained the accommodative stance by reducing the Repo rate by 75 bps in March 2020. Currently, the Repo rate is 4.0%. The RBI undertook a series of measures to boost the liquidity, such as a CRR cut of 100 bps resulting in CRR rate at 3% along with injecting liquidity in the system through TLTRO (Targeted Long Term Repo Operations).

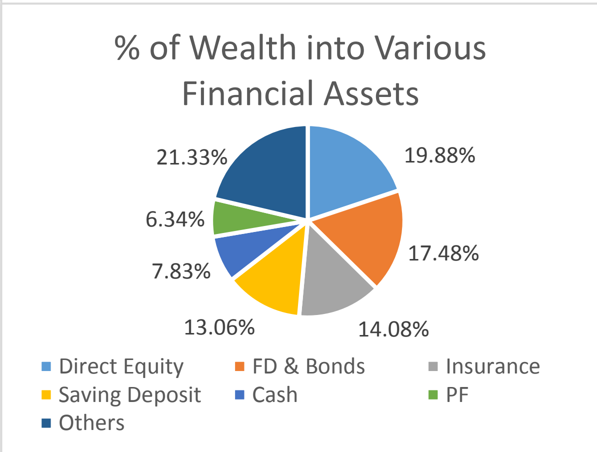
India's foreign exchange reserves stood at US$470 million as on March 2020. The Government revised its fiscal deficit target from 3.3% to 3.8% for FY2020 and pegged at 3.5% for FY2021.

COVID-19 had an unprecedented negative impact on the economy, in FY2020 However, amidst, all the negativity and chaos, India continues to witness a silver lining through lower crude oil prices, increased GST collections, a favourable demographic dividend and sustainable economic policies, amongst others.

INDUSTRY OVERVIEW

FY2020 was a challenging year for the Indian Wealth Management industry on multiple fronts. Both global as well domestic macro events played their role in creating volatility across asset classes. In Q4 FY2020, the COVID-19 pandemic rattled global financial markets.





Industry Statistics – Individual wealth figures as on 31st Dec'19, Source: Industry reports

BUSINESS OVERVIEW

Centrum Wealth Management Limited (CWML) offers Distribution, Investment Advisory and Family Office services across asset classes such as equity, fixed income, real estate, and alternate investments. The business has adopted an 'Open Architecture' approach to client investments and backed by an experienced team, offers bespoke wealth management and investment services to a diversified client base. It serves the highly specialized and sophisticated needs of HNIs and Ultra HNIs (UHNIs), affluent families, family offices and institutional clients offering a comprehensive range of wealth management solutions. The family office platform provides services to UHNI families and assists them on matters related to investment advisory, tax planning and succession planning, in addition to creating bespoke family business solutions. The business also has licensed presence in Singapore.

HIGHLIGHTS FY 2020

The business rounded off the year with overall Assets under Advice of about ₹23,100 crore. Congruous efforts through the year helped in acquiring new clients and assets organically, registering healthy growth in assets year on year. The focus on new client acquisition was reflected in the total number of families registering robust growth during the year. Significant efforts were put into handholding existing clients with an effort to navigate their investments through the market volatility. This resulted in deepening of relationships and higher wallet share from across the existing client base.

During the year, the capabilities for the equities' asset class were significantly augmented on both the portfolio management and equity advisory side, on the strength of team credentials, track record and newer product introduction. Insurance solutions were embedded as part of the core proposition and saw significant traction during the year. The firm strengthened its distribution franchise through team additions, particularly in the North and South regions.

The Family Office business recorded healthy growth through the year and acquired marquee clients while enhancing service offerings in the areas of succession planning, family business structuring and tax advisory. The enhanced suite of services contributed to the Family office segment leading, in terms of asset growth, over the other wealth segments at CWML.

The Wealth Management proposition consolidated in three broad spheres as follows:

- Investment Advisory, Portfolio Consolidation, Portfolio Analytics and Bespoke Idea origination
- Wealth Planning: Taxation advisory, Estate Planning Services and Citizenship/ Immigration Planning services (a new addition to the product suite)
- Family Business Governance: The business signed on a highly experienced and well-regarded practitioner of family business related matters, on an exclusive basis

There were a number of client delight and control measures introduced during the year. Improvements to the technology platform were implemented with a focus on enhancing customer experience. The technology edge was extended to internal processes as well.

OUTLOOK

The drivers for the business in the coming year include enhanced efficiencies and deeper client engagement. The focus on strengthening the proposition, growing the wealth management and family office business shall continue. A period of consolidation is on the cards which should see the business draw on its inherent strengths. Thus, this period marks the formation of a stronger base to enable higher participation in the next leg of growth expected in the Indian economy and markets.

BY ORDER OF THE BOARD
FOR CENTRUM WEALTH MANAGEMENT LIMITED

S Ganashyam
Whole Time Director
DIN: 02370933

Arpita Vinay
Whole Time Director
DIN: 06940663

Place: Mumbai
Date: June 19, 2020

Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CENTRUM WEALTH MANAGEMENT LIMITED

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of, Centrum Wealth Management Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including other comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions as per the applicable laws and regulations.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

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

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

    e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

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

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

i. The company does not have any pending litigation which would impact its financial position as at 31st March, 2020.

ii. The company does not have any long term contracts including derivative contract for which there were any material foreseeable losses as at 31st March, 2020.

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

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

Sushil T Jain
Partner
Membership No. 033809
Place: Mumbai
Date: 19th June, 2020.
UDIN:

Annexure A to the Independent Auditor's Report of even date to the members of CENTRUM WEALTH MANAGEMENT LIMITED on the Financial Statements for the year ended 31st March, 2020

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

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

   b) As per the information and explanations given to us, Property, Plant and Equipments were physically verified during the period by the management as per its program. The frequency of verification is reasonable and no material discrepancies have been noticed on such verification.

   c) The company does not own any immovable property and hence the reporting under sub clause (c) of clause (i) of Paragraph 3 of the said Order is not applicable to the Company.

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

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

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

   b) Loan has been squared off during the year and therefore reporting under sub clause (b) and (c) of clause (iii) of Paragraph 3 of the said Order is not applicable.

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

5. As per the information and explanations given to us the company has not accepted any deposits from the public during the period. Therefore the provisions of clause (v) of Paragraph 3 of the said Order are not applicable to the Company.

6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under

Section 148(1) of the Act for the business of the company. Accordingly, the provisions of clause (vi) of Paragraph 3 of the said Order are not applicable.

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

   As explained to us, the Company did not have any dues on account of employees' state insurance. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, Goods and Service Tax, cess and other statutory dues applicable to the company were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable other than contribution to Provident Fund Amounting to Rs. 92,447/-

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

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

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

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

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

12. In our opinion and according to the explanations given to us, the Company is not a

Nidhi company. Accordingly, paragraph 3(xii) of the said Order is not applicable.

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

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

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

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Sushil T Jain
Partner
Membership No. 033809
Place: Mumbai
Date: 19th June, 2020
UDIN:

Annexure B to the Independent Auditor's Report of even date to the members of CENTRUM WEALTH MANAGEMENT LIMITED on the Financial Statements for the year ended 31st March, 2020-

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

We have audited the internal financial controls over financial reporting of CENTRUM WEALTH MANAGEMENT LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of thefinancial 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 inthe Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design,implementation and maintenance of adequate internal financial controls that were operatingeffectively for ensuring the orderly and efficient conduct of its business, including adherence tocompany'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 ofreliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sushil.T.Jain
(Partner)
Membership no. 033809
Place: Mumbai
Date: 19th June, 2020
UDIN:

Centrum Wealth Management Limited
Balance Sheet as at 31 March 2020
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31-Mar-20	As at 31-Mar-19
ASSETS			
Non-current assets			
Property, plant & equipment	3	113.04	180.43
Intangible assets	4	536.84	587.53
Intangible assets under development	4	-	11.70
Right of use of assets	5	174.00	-
Financial assets			
(i) Investments	6	138.08	168.34
(ii) Loans and Advances	7	351.05	49.19
(iii) Other financial assets	8	-	-
Deferred tax assets (net)	9	1,299.44	1,299.44
Other Non-Current Assets	10	1,580.34	918.03
		4,192.79	3,214.66
Current assets			
Financial assets			
(i) Investments	6	1,469.78	505.28
(ii) Trade receivables	11	1,507.33	1,570.52
(iii) Cash and cash equivalents	12	874.39	264.90
(iv) Loans and Advances	7	643.30	2,422.09
(v) Other financial assets	8	137.91	13.01
Other current assets	13	38.07	269.91
		4,670.78	5,045.71
Total		**8,863.57**	**8,260.37**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	2,000.00	2,000.00
Other equity	15	(4,457.00)	(767.64)
		(2,457.00)	1,232.36
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	16	6.16	13.84
(ii) Lease Liabilities		129.11	-
(iii) Other financial liabilities	17	-	-
Provisions	18	87.92	110.00
Other non-current liabilities			
		223.19	123.84
Current liabilities			
Financial liabilities			
(i) Borrowings	16	8,363.52	5,645.52
(ii) Trade Payables	19		
(a) total Outstanding dues of Micro Enterprises and Small Enterprises		-	-
(b) total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,070.74	79.62
(iii) Lease liabilities		50.97	-
(iv) Other financial liabilities	17	1,047.37	353.16
Provisions	18	143.15	61.29
Other current liabilities	20	421.63	764.58
		11,097.38	6,904.17
Total		**8,863.57**	**8,260.37**

The accompanying notes are an integral part of these financial statements

As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Management Limited

Sushil T. Jain
Partner
Membership No.: 033809

S Ganashyam
Whole Time Director
DIN : 02370933

Arpita Vinay
Whole Time Director
DIN : 06940663

Place : Mumbai
Date : June 19, 2020

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Management Limited

Statement of Profit and Loss for the year ended 31 March 2020

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	**Note No.**	**Year ended 31-Mar-20**	**Year ended 31-Mar-19**
REVENUE			
Revenue from operations	21	7,339.77	8,822.22
Other Income	22	322.98	54.27
Other gain/(losses)-net	23	(21.89)	3,506.60
Total revenue		**7,640.86**	**12,383.09**
EXPENSES			
Employee benefit expenses	24	6,816.88	8,313.95
Depreciation and amortisation expense	25	239.33	128.10
Finance costs	26	1,003.35	606.72
Other expenses	27	3,268.22	3,124.08
Total expenses		**11,327.78**	**12,172.85**
Profit/(Loss) before tax		**(3,686.92)**	**210.24**
Income tax expense			
- Current tax			25.05
- Tax expenses/(credit) relating to earlier years	28	0.86	3.34
- Deferred tax		-	172.73
Profit/(Loss) for the year - A		**(3,687.77)**	**9.12**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
I. Changes in Fair value of equity Instruments at FVOCI		-	0.90
II. Remeasurement of post employment benefit obligation		(1.59)	(0.47)
III. Income Tax relating to above items		-	(0.12)
Other comprehensive income for the year - B		**(1.59)**	**0.31**
Total comprehensive income for the year (A+B)		**(3,689.36)**	**9.43**
Earning per Equity Share			
Basic		(18.44)	0.05
Diluted		(18.44)	0.05

The accompanying notes are an integral part of these financial statements

As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Management Limited

Sushil T. Jain
Partner
Membership No.: 033809

S Ganashyam
Whole Time Director
DIN : 02370933

Arpita Vinay
Whole Time Director
DIN : 06940663

Place : Mumbai
Date : June 19, 2020

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Management Limited

Statement of changes in equity 31 March 2020

(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	Total
As at 31st March, 2018	2,000
Changes in equity share capital during the year	-
As at 31st March, 2019	**2,000**
Changes in equity share capital during the year	-
As at 31st March, 2020	**2,000**

B. Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income	
	Securities Premium	Retained Earnings	Share Warrants	Equity Instrument through OCI	Total
As at 31st March, 2018	**1,197.00**	**(1,984.07)**	**-**	**-**	**(787.07)**
Profit for the year	-	9.12	-	-	9.12
Other Comprehensive Income	-	(0.33)	-	0.64	0.31
Transferred to Retained Earnings	-	-	-	-	
Total Comprehensive income for the year	**-**	**8.79**	**-**	**0.64**	**9.43**
Issue of Share Warrant	-	-	10.00	-	10.00
Transaction with owners in their capacity as owners					
As at 31st March, 2019	**1,197.00**	**(1,975.28)**	**10.00**	**0.64**	**(767.64)**
Loss for the year		(3,687.77)	-	-	(3,687.77)
Other Comprehensive Income	-	(1.59)	-	-	(1.59)
Transferred to Retained Earnings		0.64		(0.64)	-
Total Comprehensive income for the year	-	(3,688.72)	-	(0.64)	(3,689.36)
Issue of Share Warrant	-	-	-	-	-
Transaction with owners in their capacity as owners	-	-	-	-	-
As at 31st March, 2020	**1,197.00**	**(5,664.00)**	**10.00**	**-**	**(4,457.00)**

The accompanying notes are an integral part of these financial statements

As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

Sushil T. Jain
Partner
Membership No.: 033809

For and on behalf of the Board of Directors of
Centrum Wealth Management Limited

S Ganashyam
Whole Time Director
DIN : 02370933

Arpita Vinay
Whole Time Director
DIN : 06940663

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Place : Mumbai
Date : June 19, 2020

Centrum Wealth Management Limited

Cash Flow Statement for the year ended 31 March 2020

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(3,686.92)	210.24
Adjustments for :		
Interest expenses on borrowings measured at amortised cost	981.77	584.41
Depreciation and amortisation	239.33	128.10
Loss on disposal of Property Plant and Equipment	7.92	-
Interest Income from financial assets at amortised cost	(314.00)	(10.92)
Unwinding of Interest on Security Deposits	(5.45)	(4.96)
Foreign Exchange Loss / (Gain)	(3.53)	1.44
Bad Debts Written Off	-	237.77
Deffered Rent Provision	(5.64)	(4.33)
Unrealised gain on open option position	-	(0.64)
Changes in Fair Value of Investments held for trading	(6.20)	(2.23)
Changes in Fair Value of Investments at fair value through profit and loss	30.44	(0.87)
Gain on sale of investments	-	(3,504.40)
Allowances for Doubtful debts	290.48	55.63
Liabilities no longer required written back	-	(36.51)
Refund Liabilities	59.17	30.83
Allowance for loans and Security deposits	46.68	8.23
Gain on Modification of Right of Use / Lease liability	(2.34)	-
Operating loss before working capital changes	**(2,368.30)**	**(2,308.23)**
Movement in working capital:		
Decrease/(Increase) in Trade receivable	(223.77)	1,973.21
Decrease/ (Increase) in Financial instruments held for trading	(958.30)	(382.01)
Decrease/(Increase) in Loans and advances	1,498.38	(2,024.67)
Decrease/(Increase) in Other financial assets	(124.91)	98.20
Decrease/(Increase) in Other assets	241.07	107.22
Increase/(Decrease) Employee benefit obligations	58.20	(138.36)
Increase/(Decrease) Trade Payable & Other financial liabilities	1,121.26	46.35
Increase/(Decrease) other liabilities	(396.48)	(19.08)
Net cash used in Operations	**(1,152.85)**	**(2,647.38)**
Taxes paid	(672.39)	(451.08)
Net cash used in Operating Activities (A)	**(1,825.24)**	**(3,098.46)**
CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) of Property Plant and Equipment - Net	(16.33)	(196.70)
Sale/(Purchase) of Non-current investments - Net	(0.18)	3,802.89
Sale/(Purchase) of current investments - Net	-	37.50
Interest Received	251.32	32.39
Net cash used in Investing Activities (B)	**234.81**	**3,676.08**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share warrants	-	10.00
(Repayment)/ proceeds of long-term borrowings	(7.68)	(7.32)
Proceeds from short-term borrowings	36,878.00	25,815.88
(Repayment) from short-term borrowings	(34,160.00)	(25,446.32)
(Repayment) of lease liabilities	(78.54)	-
Interest paid	(431.86)	(888.18)
Net cash generated from Financing Activities (C)	**2,199.92**	**(515.95)**
Net increase in Cash and Cash equivalents (A+B+C)	609.49	61.67
As at the beginning of the year	264.90	203.23
Closing cash and cash equivalents	**874.39**	**264.90**
As at the end of the year (refer note 12)		
Cash in hand including foreign currencies	7.01	4.55
Balance with scheduled banks-Current accounts	867.38	260.35
Closing cash and cash equivalents	**874.39**	**264.90**

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

The accompanying notes are an integral part of these financial statements

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Management Limited

Sushil T. Jain
Partner
Membership No.: 033809

S Ganashyam
Whole Time Director
DIN : 02370933

Arpita Vinay
Whole Time Director
DIN : 06940663

Place : Mumbai
Date : June 19, 2020

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Notes to the Financial Statements for the year ended March 31, 2020

Corporate Information

Centrum Wealth Management Limited ('Company') is a Public Limited Company incorporated and domiciled in India. The company is engaged in the business of Wealth Management of its clients and offers a comprehensive suite of financial products including Mutual Funds to suit client objectives and risk- return profiles based on time tested principles of Asset allocation and diversification. Asset classes offered include Equity, Fixed Income and Debt offerings, Real Estate and Alternative Assets. The company also deals in securities. The Company's registered office is in Mumbai, Maharashtra, India.

The company is a subsidiary company of Centrum Retail Services Limited (CRSL) which holds 1,31,18,000 shares aggregating to 65.59% of shareholding.

1.0 Significant accounting policies

1.1 Basis of Preparation

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

- certain financial instruments (including Derivative Instruments) which are measured at fair value and
- defined benefit plan – plan assets measured at fair value.

The Ind AS are prescribed under Section 133 of the Companies Act, 2013 (The 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies as amended from time to time (Indian Accounting Standards) Rules, 2016. Accounting policies have been consistently applied to all the years presented.

The Company has applied following standards and amendments for the first time for their annual reporting period commencing April 1, 2019:

Ind AS 116 Leases

The Company has applied IND AS 116 to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability and right of use assets at the present value of the lease payments discounted at the Incremental borrowing as on date of initial application.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lakh, except otherwise indicated.

1.2 Presentation of financial statements

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

1.3 Current/ Non-current classification:

An asset is classified as current if:

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

All other assets are classified as non-current.

A liability is classified as current if:

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

All other liabilities are classified as non-current.

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

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

1.4 Property, plant and equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation amortization and accumulated impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and condition necessary for it to be capable of operating in the intended manner and purposes. When significant parts of plant and equipment are required to be replaced at intervals, the same are capitalised and old component is derecognised.
Subsequent expenditure related to an item of Property, Plant and Equipment is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When a Property plant and Equipment is replaced, the carrying amount of replaced asset is derecognized.
Property, plant and equipment are derecognised from financial statement on disposal. Gains or losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss in the year of occurrence.

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

Depreciation

Depreciation on Property, Plant and Equipment is provided on straight line method over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013 or on the basis of useful lives of the assets as estimated by management, whichever is lower.
The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Depreciation on Additions to Assets or where any asset has been sold or discarded, is calculated on a Pro-rata basis from the date of such additions or up to the date of such sale or discard as the case may be. Leasehold improvements are amortized over a period of lease or useful life whichever is less. Useful Life of the assets is tabulated below:

Nature of Assets	Estimated useful life
Computers- End Users such as Desktops, Laptops, etc.	3 years
Computers- Servers and Networks	6 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Electric Installation and Equipment	10 years
Motor Cars	8 years

1.5 Intangible assets

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

Acquired intangible assets are initially capitalised at cost, which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

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

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

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

Intangible assets are amortised over their estimated useful life of 10 years.

Subsequent expenditure

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

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

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

Intangible assets under development

The cost of computer software not ready to use before year end are disclosed under Intangible Assets under Development are carried at cost, comprising direct cost and related incidental expenses. They are transferred to Intangible assets once those assets are ready to use.

1.6 Borrowing cost

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

1.7 Impairment of property, plant and equipment and intangible assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's each class of the property, plant and equipment or intangible assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognized immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognized in respect of a cash-generating unit is allocated to reduce the carrying amount of the assets of the cash-generating unit on a pro-rata basis. On financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.8 Revenue recognition

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

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

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

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

Income from trading in securities

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

Brokerage and commission income

Revenue is recognised at point in time when performance obligation is satisfied as per the contractual terms with the customers. Revenue, where there is no uncertainty as to measurement or collectability of consideration but invoicing has not been completed are recognised as unbilled revenues.

Business support services

Revenue is recognised at point in time when performance obligation is satisfied as per the contractual terms with the customers.

Refund Liabilities:

Revenue from brokerage is recognised as per the rate specified in the contract and revenue is only recognised when it is highly probable that a significant reversal will not occur. Refund liability (included in other current liabilities) is recognised for expected amount of clawback in relation to the upfront income received. Accumulated experience is used to estimate claw back amount as per the expected value method.

Income from Derivative instruments

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

Interest income

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

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

Profit and Loss of Sale of Investments

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

Dividend Income

Dividend Income is recognized when the right to receive payment is established.

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

1.9 Employee benefits

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

Termination benefits

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

Defined contribution plans

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

Defined benefit plans

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

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

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

Long-term employee benefits:

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

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

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

1.10 Taxation

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

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

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

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

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

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

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

Current and deferred tax for the year

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

Minimum alternate tax (MAT)

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

Financial instruments

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

A. Financial assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Debt Instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective. Subsequent measurement of debt instruments depends on the Company’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Companies classify its debt instruments:

Classification, recognition and measurement

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

a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
b) Those to be measured at amortised cost.

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

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

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

Measurement:

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

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

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

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

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

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

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

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

Equity Instruments

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

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

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

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

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance Income. Any gain and loss on de-recognition of the financial instrument

		outstanding are measured at amortised cost.		measured at amortised cost recognised in profit and loss account.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss, which is recognized in income statement. Interest income, transaction cost and discount or premium on acquisition are recognized in to income statement (finance income) using effective interest rate method. On de-recognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Profit and Loss account in other gain and loss head.
	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain and loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement as other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in the Interest income.

		of a hedging relationship is recognized in profit or loss in the period in which arise.		
Equity instruments	FVOCI	The Company's management has made an irrevocable election at the time of initial recognition to account for the equity investment (On an instrument-by-instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Change in fair value of such instrument are recorded in OCI. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividend income from such instruments are however recorded in income statement.
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement.

Investments in subsidiaries, associates and joint ventures

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

(i) Impairment:

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The method and significant judgements used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in Note 32.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The measurement of ECL reflects:

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

(ii) Derecognition of financial assets:

A financial asset is derecognised only when

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

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

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

Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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

Write-off policy

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

(i) Financial liabilities and equity instruments :

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

Classification, recognition and measurement:

(a) Equity Instruments:

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

(b) Financial liabilities:

Initial recognition and measurement:

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

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

Subsequent measurement:

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

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

(i) Financial liabilities at amortised cost:

The company is classifying the following under amortised cost;

- Borrowings
- Trade and other payables

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

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

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

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

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

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

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

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

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

Derecognition:

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

Derivative financial Instruments:

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

Reclassification of financial instrument

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

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

(ii) Offsetting financial instruments :

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

1.11 Provisions and Contingencies

Provisions for are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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

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

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

1.12 Cash and cash equivalent:

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

Trade Receivables:

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

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

1.13 Earnings per share:

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

For the purpose of calculating diluted earnings per share, the net profit attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effect of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares, which are to be issued in the conversion of all dilutive potential equity shares into equity shares.

1.14 Foreign Currency Transactions:

Functional currency

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

Transactions and translations

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

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

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

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

1.15 Lease

As a lessee

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

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

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

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

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

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

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

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

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

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

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

Transition

Effective 1st April, 2019, the Company has adopted Ind AS 116, "Leases". Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value.

The Company has used the 'modified retrospective approach' for transition from the previous standard - Ind AS 17, and consequently, comparatives for previous periods have not been retrospectively adjusted. On transition, the Company has recorded the lease liability at the present value of future lease payments discounted using the incremental borrowing rate and has also chosen the practical expedient provided in the standard to measure the right-of-use assets at the same value as the lease liability.

The adoption of the new standard resulted in recognition of right-of-use assets and an equivalent lease liability as on 1st April, 2019. The effect of Ind AS 116 on the profit for the period and earning per share is not material.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

1.16 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification, which would have been applicable from April 1, 2020

Significant accounting estimates, judgements and assumptions:

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

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

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

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

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

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

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

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

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

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

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

As per our attached report of even date

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

Sushil T. Jain
Partner
Membership Number: 033809
Place: Mumbai
Date: June 19, 2020

For and on behalf of the Board of
Centrum Wealth Management Limited.

S Ganashyam	**Arpita Vinay**
Whole Time Director	**Whole Time Director**
DIN 02370933	**DIN 06940663**
Mayank Jalan	**Snehal Saboo**
Chief Financial Officer	**Company Secretary**

(All amounts in INR Lakhs, unless otherwise stated)

3. PROPERTY, PLANT & EQUIPMENT

Particulars	Leasehold Improvement	Electric installation & equipments	Furniture & fixtures	Vehicles	Office equipment	Computer	Total
Gross Block							
As at 1st April, 2018	60.03	3.22	57.92	37.20	20.55	102.66	281.59
Additions - March 19	11.14	-	0.68	-	6.28	41.26	59.36
Disposals / Transfer / Adjustments - March 19	26.79	-	-	-	0.11	-	26.90
As at 31st March, 2019	**44.39**	**3.22**	**58.60**	**37.20**	**26.72**	**143.92**	**314.05**
Additions - March 20	-	-	-	-	1.60	1.32	2.92
Disposals/ Transfer / Adjustments - March 20	11.14	-	-	-	2.66	-	13.81
As at 31st March, 2020	**33.25**	**3.22**	**58.60**	**37.20**	**25.66**	**145.24**	**303.16**
Accumulated Depreciation							
As at 1st April, 2018	31.14	0.83	15.64	5.58	4.67	42.00	99.86
Additions - March 19	8.44	0.42	8.15	4.41	4.97	34.26	60.66
Disposals/ Transfer / Adjustments - March 19	26.79	-	-	-	0.11	-	26.90
As at 31st March, 2019	**12.80**	**1.25**	**23.79**	**9.99**	**9.53**	**76.26**	**133.62**
Additions - March 20	10.63	0.42	8.19	4.38	6.18	32.02	61.81
Disposals/ Transfer / Adjustments - March 20	4.73	-	-	-	0.58	-	5.31
As at 31st March, 2020	**18.70**	**1.67**	**31.98**	**14.37**	**15.13**	**108.28**	**190.12**
Net Block							
As at 31st March, 2020	**14.55**	**1.55**	**26.62**	**22.83**	**10.53**	**36.96**	**113.04**
As at 31st March, 2019	**31.59**	**1.97**	**34.80**	**27.22**	**17.19**	**67.66**	**180.43**

Refer note 35 for information on property, plant and equipment pledged as security by the group

4. INTANGIBLE ASSETS

Particulars	Computer software	Intangible assets under Development	Total
Gross Block			
As at 1st April, 2018	540.72	85.41	626.13
Additions - March 19	211.05	25.05	236.11
Disposals/ Transfer / Adjustments - March 19	-	98.76	98.76
As at 31st March, 2019	**751.78**	**11.70**	**763.48**
Additions - March 20	25.69	6.30	31.99
Disposals/ Transfer / Adjustments - March 20	-	18.00	18.00
As at 31st March, 2020	**777.47**	**-**	**777.47**
Accumulated Depreciation			
As at 1st April, 2018	96.81	-	96.81
Additions - March 19	67.44	-	67.44
Disposals/ Transfer / Adjustments - March 19	-	-	-
As at 31st March, 2019	**164.25**	**-**	**196.67**
Additions - March 20	76.38	-	76.38
Disposals/ Transfer / Adjustments - March 20	-	-	-
As at 31st March, 2020	**240.63**	**-**	**273.05**
Net Block			
As at 31st March, 2020	**536.84**	**-**	**504.42**
As at 31st March, 2019	**587.53**	**11.70**	**566.81**

5. **Right of use of assets**

Particulars	Vehicles	Office Premises	Total
Gross Block			
As at 1st April, 2018	-	-	-
Additions - March 19	-	-	-
Disposals / Transfer / Adjustments - March 19	-	-	-
As at 31st March, 2019	**-**	**-**	**-**
Deemed cost as at 1st April, 2019*	17.93	252.66	270.58
Additions - March 20		43.58	43.58
Disposals/ Transfer / Adjustments - March 20	-	(39.03)	(39.03)
As at 31st March, 2020	**17.93**	**257.20**	**275.13**
Accumulated Depreciation			
As at 1st April, 2018	-	-	-
Additions - March 19	-	-	-
Disposals/ Transfer / Adjustments - March 19	-	-	-
As at 31st March, 2019	**-**	**-**	**-**
Additions - March 20	8.22	92.91	101.13
Disposals/ Transfer / Adjustments - March 20	-	-	-
As at 31st March, 2020	**8.22**	**92.91**	**101.13**
Net Block			
As at 31st March, 2020	**9.71**	**164.29**	**174.00**
As at 31st March, 2019	**-**	**-**	**-**

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

(All amounts in INR Lakhs, unless otherwise stated)

6. INVESTMENT	**Subsidiary / Joint Venture / Others**	**As at 31-Mar-20**	**As at 31-Mar-19**
Current			
Investment in debentures and bonds held for trading at FVTPL			
Unquoted	Others	1,469.78	505.28
Aggregate Value of Quoted Investments at market value		-	-
Aggregate Value of Unquoted Investments		1,469.78	505.28
Aggregate Provision of dimunition in value of investments		-	-
Non Current			
Investment in Equity Instruments at Cost			
Unquoted	Subsidiary	25.50	25.50
Investment in Equity Instruments at FVTPL			
Quoted	Others	0.23	-
Unquoted	Others	1.51	1.51
Investment in Limited Liability Partnerships (LLP) at FVTPL			
Unquoted	Others	110.84	141.33
Aggregate Value of Quoted Investments at market value		0.23	-
Aggregate Value of Unquoted Investments		137.85	168.34
Aggregate Provision of dimunition in value of investments		-	-
Total Current		**1,469.78**	**505.28**
Total Non-Current		**138.08**	**168.34**

7. LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated)	**As at 31-Mar-20**	**As at 31-Mar-19**
Current		
Loans to fellow subsidiaries	-	2,430.00
Loans to others - Secured*	63.43	-
Loans to others	583.42	-
Less : Loss allowance	(3.55)	(7.91)
Non current		
Security Deposits	47.59	49.51
Loans to others	305.83	-
Less :Loss allowance	(2.37)	(0.32)
Total Current	**643.30**	**2,422.09**
Total Non-Current	**351.05**	**49.19**

* Loans to others are secured by pledge of listed shares in the name of the Company

8. OTHER FINANCIAL ASSETS	**As at 31-Mar-20**	**As at 31-Mar-19**
Current		
Margin held with broker	10.03	10.00
Other receivables*	176.88	3.01
Less : Loss Allowance	(49.00)	-
Non current		
Total Current	**137.91**	**13.01**
Total Non-Current	**-**	**-**

*Other Receivables include Rs. 175 Lakhs paid to fellow subsidiary, Centrum Broking Limited (CBL) according to the del credere arrangement entered by the Company as per MOU dated 1st July, 2019. As per the terms of the MOU, Company has referred clients to CBL for availing stock broking services.
One of the clients had defaulted in payments due to CBL and as per Indemnity clause , Company has reimbursed Rs 175 Lakhs to CBL. Efforts with respect to recovery of the funds is in process and Company beleives that the funds will be recovered in Financial Year 2020 - 2021. In view of the current status of the receivable, loss allowance of Rs. 49 Lakhs has been provided in the books.

9. DEFERRED TAX ASSETS

	As at 31-Mar-20	As at 31-Mar-19
Deferred tax asset on account of:		
Business Loss	733.10	733.10
Employee related Provisions and liabilities	49.88	49.88
Other Liabilities and Provisions		
Loss Allowance for Debtors and loans	28.68	28.68
Refund Liabilities	8.98	8.98
Others	9.07	9.07
MAT Credit Entitlement	539.23	539.23
Deferred tax liability on account of:		
Depreciation/Amortisation on property plant and equipments and Intangible assets	(64.88)	(64.88)
Fair valuation of Financial Instruments	(4.61)	(4.61)
Total	**1,299.44**	**1,299.44**

Note : Basis the accounting policy followed on recognition of deferred tax asset, Company has maintained deferred tax assets at the same level as it was during the previous year .

Movement in Deferred Tax Assets / Liabilities for the year ended March 31, 2019

		(Charged)/ Credited		
Particulars	**Opening Balance**	**To Profit & loss**	**To OCI**	**Closing Balance**
Property, plant & equipment	**(56.91)**	(7.98)	-	**(64.88)**
Business Loss	**881.51**	(148.40)	-	**733.10**
Employee related Provisions and liabilities	**108.21**	(58.47)	0.14	**49.88**
Other Liabilities and Provisions	-	46.72	-	**46.72**
Investments at FVTPL	-	(4.61)	-	**(4.61)**
MAT Credit Entitlement	**539.23**	-	-	**539.23**
Total	**1,472.03**	**(172.73)**	**0.14**	**1,299.44**

Movement in Deferred Tax Assets / Liabilities for the year ended March 31, 2020

		(Charged)/ Credited		
Particulars	**Opening Balance**	**To Profit & loss**	**To OCI**	**Closing Balance**
Property, plant & equipment	**(64.88)**	-	-	**(64.88)**
Business Loss	**733.10**	-	-	**733.10**
Employee related Provisions and liabilities	**49.88**	-	-	**49.88**
Other Liabilities and Provisions	**46.72**	-	-	**46.72**
Investments at FVTPL	**(4.61)**	-	-	**(4.61)**
MAT Credit Entitlement	**539.23**	-	-	**539.23**
Total	**1,299.44**	-	-	**1,299.44**

10. OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)	As at 31-Mar-20	As at 31-Mar-19
Advance Tax [Net off Provision for Tax -Rs. 337.41 Lakhs , (Previous year -Rs. 336.55 Lakhs)]	1,579.32	907.79
Prepaid Expenses	1.02	10.24
Total	**1,580.34**	**918.03**

(All amounts in INR Lakhs, unless otherwise stated)

11. TRADE RECEIVABLES

	As at 31-Mar-20	As at 31-Mar-19
Unsecured, Considered good - Related Party	218.62	31.26
Unsecured, Considered good - Others	1,669.44	1,629.52
Less : Loss Allowance	(380.73)	(90.25)
Total	**1,507.33**	**1,570.52**

12. CASH AND CASH EQUIVALENTS

	As at 31-Mar-20	As at 31-Mar-19
Cash on hand	7.01	4.55
Balances with banks -In current accounts	867.38	260.35
Total	**874.39**	**264.90**

There are no repatriation restrictions with regards to Cash and cash equivalents as at the reporting periods and earlier reporting periods.

13. OTHER CURRENT ASSETS

	As at 31-Mar-20	As at 31-Mar-19
Prepaid Expenses	18.43	14.62
Contract assets	15.29	143.72
Loans and Advances to Employees and others	4.35	111.58
	38.07	**269.91**

14. SHARE CAPITAL

	As at 31-Mar-20	As at 31-Mar-19
Authorised Share Capital		
3,00,00,000 equity Shares (Previous Year: 3,00,00,000) Equity shares of ` 10/- each	3,000.00	3,000.00
Total	**3,000.00**	**3,000.00**
Issued, subscribed and fully paid up Share Capital		
2,00,00,000 (31-March-19: 2,00,00,000) equity shares of Rs. 10 each	2,000.00	2,000.00
Total	**2,000.00**	**2,000.00**

14.a Reconciliation of shares outstanding at the beginning and at the end of the year

	As at 31 March 2020		As at 31 March 2019	
Particulars	No of shares	Amount	No of shares	Amount
Equity Shares at the beginning of the year - Class A equity shares	2,00,00,000	2,000.00	2,00,00,000	2000.00
Add : Shares issued	-	-	-	-
Less : Shares Bought back	-	-	-	-
Equity Shares at the end of the year - Class A equity shares	**2,00,00,000**	**2,000.00**	**2,00,00,000**	**2,000.00**

14.b Rights, preferences and restrictions attached to shares

The Company has two classes of shares - Class A and Class B both of Rs.10 each.

The Company has issued only one class of equity shares - Class A shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

Class B equity shares, shall have differential voting rights (DVR equity shares) of the Company such that the DVR Equity Shares shall carry voting rights in all general meetings (including extraordinary and annual meetings) of at least 74% (Seventy Four Percent) of the total paid up voting share capital of the Company on a fully diluted basis.

Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. The Company has not declared/ proposed any dividend in the current year and previous year.

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

(All amounts in INR Lakhs, unless otherwise stated)

14.c Particulars of shares held by Holding Company

	As at 31 March 2020	As at 31 March 2019
Class A Equity Shares		
Centrum Retail Services Limited	1,31,18,000	1,31,18,000

14.d Particulars of shareholders holding more than 5% of aggregate shares

	As at 31 March 2020		As at 31 March 2019	
Particulars	No of shares	% Held	No of shares	% Held
Class A Equity Shares				
Centrum Retail Services Limited *	1,31,18,000	65.59%	1,31,18,000	65.59%

*Out of 1,31,18,000 Shares, 6 shares are held by nominees on behalf of Centrum Retail Services Limited.

15. OTHER EQUITY

	As at 31-Mar-20	As at 31-Mar-19
Securities premium	1,197.00	1,197.00
Retained earnings	(5,664.00)	(1,975.28)
Money received against warrants	10.00	10.00
Equity Instrument through OCI	-	0.64
	(4,457.00)	**(767.64)**

Movements in Reserves

Securities premium

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

	As at 31-Mar-20	As at 31-Mar-19
Balance at the beginning of the year	1,197	1,197
Movement during the year	-	-
Balance at the end of the year	1,197	1,197

Retained earnings

Retained Earning are the profit of the company earned till date net of appropriations

	As at 31-Mar-20	As at 31-Mar-19
Balance at the beginning of the year	(1,975.28)	(1,984.07)
Remeasurement of Post Employment benefits obligations (net of tax)	(1.59)	(0.33)
Profit / (Loss) for the year	(3,687.77)	9.12
Equity Instrument through OCI	0.64	-
Balance at the end of the year	(5,664.00)	(1,975.28)

Money received against warrants

During the previous year, the company had issued 1 (One Only) warrant convertible into Equity Shares, to the holding company Centrum Retail Services Limited. Each Warrant is convertible into either i) 1,00,000 equity share of Rs. 10 each pari – passu in all respect including dividend & voting rights with existing equity shares of the company or ii) into 1,00,000 equity shares having Differential Voting Rights of the company having face value of Rs. 10 (Rupees Ten Only) each (“DVR Equity Shares”). (such that the DVR Equity Shares shall carry voting rights in all general meetings (including extraordinary and annual meetings) of at least 74% (Seventy – Four Percent) of the total paid up voting share capital of the company on a fully diluted basis being valid for a period of 5 (five) years or such other maximum period as permissible under the applicable law. In case of non-exercise of warrant within the period of 5 years, the same shall stand forfeited and the money received against the same shall not be refunded by the company.

(All amounts in INR Lakhs, unless otherwise stated)

Movement in Money received against warrants	As at 31-Mar-20	As at 31-Mar-19
Balance at the beginning of the year	10	-
Movement during the year	-	10
Balance at the end of the year	10	10

Other Comprehensive Income

Other Comprehensive Income represents equity instruments carried at fair value through OCI

Movement in Other Comprehensive Income	As at 31-Mar-20	As at 31-Mar-19
Balance at the beginning of the year	0.64	-
Transferred to Retained Earnings	(0.64)	-
Changes in Fair value of equity investments designated at FVOCI	-	0.64
Balance at the end of the year	-	0.64

16. BORROWINGS

	As at 31-Mar-20	As at 31-Mar-19
Current (unsecured)		
Loan from related parties	5,243.55	5,645.52
Loan from others	3,692.00	-
Less : Interest Accrued	(572.03)	-
Non-current (secured)		
Term Loans		
From Other parties -Vehicle loans from Kotak Mahindra Prime Ltd *	6.16	13.84
Less : Interest Accrued	-	-
Total Current	**8,363.52**	**5,645.52**
Total Non-Current	**6.16**	**13.84**

***(Vehicle loans are secured against hypothecation of vehicles purchased there against)**
(Maturity Date :05-Nov-2021,Interest Rate - 9.42% Monthly repayments)

Note : Loans from related parties	5,243.55	5,645.52
(Short Term loan - Interest Rate - 13% , repayable at the end of the term)		

Movement of Borrowings

Particulars	Current Borrowings	Non Current Borrowings	Total
Opening balance as on 31st March, 2018	**(21.17)**	**(5,579.73)**	**(5,600.90)**
Cash flows	7.32	(369.55)	(362.23)
Interest expense	(2.34)	(582.07)	(584.41)
Interest paid	2.34	885.84	888.18
Other non cash adjustments			-
Closing balance on 31st March, 2019	**(13.85)**	**(5,645.52)**	**(5,659.37)**
Cash flows	7.68	(2,718.00)	(2,710.32)
Interest expense	(1.68)	(959.65)	(961.34)
Interest paid	1.68	387.63	389.31
Other non cash adjustments			-
Closing balance as on 31st March, 2020	**(6.17)**	**(8,935.55)**	**(8,941.72)**

17. OTHER FINANCIAL LIABILITIES

	As at 31-Mar-20	As at 31-Mar-19
Current		
Current Maturities of long term debt	7.68	7.32
Interest Accrued	572.03	-
Expenses Payable	453.95	330.98
Payable to Staff	13.46	14.61
Derivatives instruments designated at FVTPL	0.25	0.25
Non-current		
Total Current	**1,047.37**	**353.16**
Total Non-Current	-	-

		As at 31-Mar-20	As at 31-Mar-19
18.	**EMPLOYEE BENEFIT OBLIGATIONS**		
	Provision for Gratuity		
	Current	121.67	50.46
	Non current	-	-
	Provision for Compensated Absences		
	Current	21.48	10.83
	Non current	87.92	110.00
	Total Current	**143.15**	**61.29**
	Total Non-Current	**87.92**	**110.00**

		As at 31-Mar-20	As at 31-Mar-19
19.	**TRADE PAYABLES**		
	Total Outstanding dues of Micro Enterprises and Small Enterprises	-	-
	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,070.74	79.62
	Total	**1,070.74**	**79.62**

		As at 31-Mar-20	As at 31-Mar-19
20.	**OTHER CURRENT LIABILITIES**		
	Refund liabilities	90.00	30.83
	Statutory Dues	304.63	402.78
	Advance from customers	27.00	325.33
	Lease rent equalisation	-	5.64
	Total	**421.63**	**764.58**

		Year ended 31-Mar-20	Year ended 31-Mar-19
21.	**REVENUE FROM OPERATIONS**		
	Revenue from contract with customers		
	Brokerage & Commission	5,959.19	7,215.65
	Business Support Service Fees	1,028.23	1,515.90
	Adjustments for : Refund liabilities	(59.17)	(30.83)
	Revenue from trading in financial instruments		
	Profit /Loss from Trading in Securities (Net)	411.51	121.50
	Total	**7,339.77**	**8,822.22**

		Year ended 31-Mar-20	Year ended 31-Mar-19
22.	**OTHER INCOME**		
	Interest Income from financial assets at ammortised cost	319.45	15.88
	Foreign Exchange Gain (Net)	3.53	-
	Miscellaneous Income	-	38.38
	Total	**322.98**	**54.27**

		Year ended 31-Mar-20	Year ended 31-Mar-19
23.	**OTHER GAINS /(LOSSES)**		
	Gain on sale of Investments	-	3,503.50
	Fair Value Gain / (Loss) on Investments held for trading	6.25	2.23
	Fair Value Gain / (Loss) on Other Investments	(30.49)	0.87
	Lease Modification Gain / (Loss)	2.34	-
	Total	**(21.89)**	**3,506.60**

(All amounts in INR Lakhs, unless otherwise stated)

24. EMPLOYEE BENEFITS EXPENSE	**Year ended 31-Mar-20**	**Year ended 31-Mar-19**
Salaries	6,450.35	7,909.81
Contributions to provident and other funds	334.49	373.25
Staff welfare expenses	32.04	30.89
Total	**6,816.88**	**8,313.95**

25. DEPRECIATION AND AMORTIZATION EXPENSE	**Year ended 31-Mar-20**	**Year ended 31-Mar-19**
Depreciation on property, plant and equipment	239.33	128.10
Total	**239.33**	**128.10**

26. FINANCE COSTS	**Year ended 31-Mar-20**	**Year ended 31-Mar-19**
Interest on Borrowings	959.65	584.35
Bank Charges	0.14	0.07
Interest on Employee Benefit Expense	3.93	14.92
Interest on delay in payment of statutory dues	17.51	7.39
Interest on Lease Liability	22.12	-
Total	**1,003.35**	**606.72**

27. OTHER EXPENSES	**Year ended 31-Mar-20**	**Year ended 31-Mar-19**
Payments to Auditor	5.95	3.50
Business Promotion Expenses	154.12	318.23
Commission and Brokerage	485.69	588.23
Communication and Internet Expenses	24.11	32.66
IT repairs and Maintenance	85.46	146.16
Electricity Expenses	38.98	64.77
Legal & Professional Fees	620.61	276.79
Director Sitting Fees	11.40	4.80
Conference Expenses	50.68	6.24
Business Support Services	587.20	71.06
Office Expenses	144.14	160.37
Rent Rates & Taxes	405.72	608.36
Repairs & Maintenance	3.02	12.33
Travelling & Conveyance	198.07	516.22
Insurance	17.76	5.10
Bad Debts Written off	-	237.77
Allowance for Bad and Doubtful Debts and loans	337.16	63.86
Foreign Exchange loss (Net)	-	2.10
Training Expenses	76.83	2.21
Miscellaneous Expenses	21.34	3.32
Total	**3,268.22**	**3,124.08**

Note: Payments to Auditor		
For Audit	4.00	3.50
For Taxation and Other Matters	1.80	0.20
For Reimbursement of expenses	0.15	-
Total	**5.95**	**3.70**

(All amounts in INR Lakhs, unless otherwise stated)

28. INCOME TAX EXPENSE	**Year ended 31-Mar-20**	**Year ended 31-Mar-19**
Current tax	-	25.31
Tax expenses/(credit) relating to earlier years	0.86	3.34
Total Current Tax Expense	0.86	28.65
	As at	**As at**
Deferred tax	**31 March 2020**	**31 March 2019**
Decrease (increase) in deferred tax assets	-	160.01
(Decrease) increase in deferred tax liabilities	-	12.58
Total Deferred Tax Expense	-	172.58
Total Income Tax Expense	**0.86**	**201.23**

The reconciliation of estimated Income tax at Statutory income tax rate to Income tax expense report in the statement of profit and loss is as follows

Profit / (Loss) before taxes	(3,686.92)	210.24
Indian Statutory Income tax Rate - 26% (2018-19 - 29.12%)	(958.60)	61.22
Tax effect of allowed / disallowed expenses as per Income Tax Act, 1961	-	(6.31)
Tax effect of Long Term Capital Gain on sale of investments	-	(8.60)
Rate change impact on deferred tax	-	155.53
Adjustment in current tax of previous years	0.86	3.34
Losses for which no deferred Income tax has been recognised	809.07	-
Others	149.53	(3.96)
Total Income tax expense	0.86	201.23

Note :

Pursuant to the Taxation Law (Amendment) Ordinance,2019 (Ordinance) issued by Ministry of Law and justice (Legislative department) on September 20, 2019 which is effective April 01,2019, domestic companies have the option to pay corporate income tax at 22% plus applicable surcharge and cess (New tax rate) subject to certain conditions. The Company is assessing the option to opt reduced tax rate and will be finalising in due course .

29. Earnings Per Share (EPS) – Ind AS 33

(Rs. in Lakhs)

Particulars	For the year ended 31st March , 2020	For the year ended 31st March,2019
Face Value per equity share in Rupees	10	10
Basic Earning per share	**(18.44)**	**0.05**
Net profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	(3,687.77)	9.12
Weighted Average number of equity shares used as denominator for calculating Basic EPS	200	200
Diluted Earnings per share	**(18.44)**	**0.05**
Net profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	(3,687.77)	9.12
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	201	201
Reconciliation of Weighted average number of shares outstanding		
Weighted Average number of equity shares used as denominator for calculating Basic EPS	200	200
Total Weighted Average potential Equity Shares	1	1
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	201	201

30. Disclosure regarding dues to Micro, small and Medium 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, 2020 together with interest paid /payable are required to be furnished.The aforementioned is based on the responses received by the company to its inquiries with suppliers with regard to applicability under the said Act.

31. Contingent liabilities and Commitments
Contingent Liabilities

	As at March 31, 2020	As at March 31, 2019
Claims against the Company not acknowledged as debts (Refer Note 8)	270.17	-
Total	270.17	-

Capital Commitment
Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. Nil as on 31st March, 2020 (PY: Rs. 6.30 Lakhs).

32. Capital

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

Capital Management

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

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

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:
Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cash flows generated.

33. Financial Risk Management Objectives and Policies

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

Credit Risk
Credit risk arises from the possibility that counter party may not be able to settle their obligation as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking in to account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limit are set accordingly.

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

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

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

Credit Risk Management

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

Definition of Default

For Trade receivables, definition of default has been considered at 365 days past due after looking at the historical trend of receiving the payments.

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

Impairment of Financial assets

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

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

Basis for provision for expected credit losses

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 CWML. CWML categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 360 days past due. Where loans or receivables have been written off, CWML 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

Trade & Other Receivables:

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

Cash and Bank balances:

The Company held cash and bank balance of INR 874.39 Lakhs at March 31, 2020 (March 31, 2019: INR 264.90 Lakhs). The same are held with bank and financial institution counterparties with good credit rating therefore have limited exposure to credit risk.

Loans:

All of the entity's debt investments and certain loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Measurement of Expected Credit Losses

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

(a) Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

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

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

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

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

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

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

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

Reconciliation of loss allowance provision – Loans, Security Deposits and Investments and Other financial assets

(Rs. in Lakhs)

	Loss Allowance measured at 12 month expected losses		
Reconciliation of Loss Allowance	**Trade receivables**	**Loans**	**Other financial Assets**
Loss allowance as on 31 March 2018	34.63	-	-
Add: Changes in loss allowances	55.62	8.23	-
Loss allowance as on 31 March 2019	90.25	8.23	-
Add: Changes in loss allowances	290.48	(2.31)	49.00
Loss allowance as on 31 March 2020	380.73	5.92	49.00

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

Particulars	**As at March 31, 2020**			**As at March 31, 2019**		
	Carrying amount	**Traded risk**	**Non traded risk**	**Carrying amount**	**Traded risk**	**Non traded risk**
Assets						
Cash and cash equivalents	7.01	-	7.01	4.55	-	4.55
Bank balance other than cash and cash equivalents above	867.38	-	867.38	260.35	-	260.35
Derivative financial instruments	-	-	-	-	-	-
Trade Receivables	1,507.33	-	1,507.33	1,570.52	-	1,570.52
Loans	994.35	-	994.35	2,471.28	-	2,471.28
Investments - at cost	25.50	-	25.50	25.50	-	25.50
Investments - at FVOCI	-	-	-	-	-	-
Investments - at FVTPL	1,582.36	0.23	1,582.13	648.11	-	648.11
Other financial assets	137.91	-	137.91	13.01	-	13.01
Liabilities						
Trade payables	1,070.74	-	1,070.74	79.62	-	79.62
Derivative Financial Instruments	0.25	0.25	-	0.25	0.25	-
Borrowings (other than Debt securities)	8,369.68	-	8,369.68	5,659.36	-	5,659.36
Other financial liabilities	1,047.13	-	1,047.13	352.91	-	352.91

The Company manages market risk through its treasury department, which evaluate and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest Rate Risk
Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management. There are no Variable rate borrowings as at end of the reporting periods.

Foreign Currency Risk
The Company's exposures to unhedged foreign currency risk as at the end of the reporting periods expressed in INR are as follows

(Amount in Rs)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Loan & Advances to related parties	-	-
Loan & Advances to others	-	1,67,868 (USD 2427 @ Closing rate of 1 USD = Rs. 69.1713)
Trade Receivable	Rs. 66,25,807 (USD 87891.86 @ closing rate of 1 USD = Rs 75.3859)	Rs 1,07,98,401 (USD 150611 @ closing rate of 1 USD = Rs 69.1713)

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

(Rs. in Lakhs)

Particulars	Impact on Profit before Tax	
	31st March, 2020	31st March, 2019
INR / USD Sensitivity increase by 5%	3.31	5.50
INR / USD Sensitivity decrease by 5%	(3.31)	(5.50)

Liquidity Risk

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

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

(Rs. in Lakhs)

Particulars	Within 1 Year	1-2 Years	2-4 years	Total
Secured Borrowings	7.68	6.16	-	13.84
Unsecured Borrowings	8,935.55	-	-	8,935.55
Trade Payable	1,070.74	-	-	1,070.74
Other financial liabilities	-	-	-	-

The details regarding the contractual maturities of significant non derivative financial liabilities as on March 31, 2019 were as follows:

(Rs. in Lakhs)

Particulars	Less than 1 year	1-2 Years	2-4 years	Total
Secured Borrowings	7.32	8.04	5.79	21.15
Unsecured Borrowings	5645.52	-	-	5,645.52
Trade Payable	79.62	-	-	79.62
Other financial liabilities	345.59	-	-	345.59

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

Other Risk :

Impact of COVID 19

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

The Company has assessed the possible effects that may result from the pandemic.The company believes that they have managed the disruption with transition to online engagements and are hopeful of returning to normalcy during the course of FY 20-21. The Company believes that there is no sustainable or permanent impact on long term demand for the services offered by the company and the prospects remain attractive. The Company believes that, sufficient liquidity would be available for the Company on the short term and the Company would generate operating cash flows in the longer term to meet its obligations. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in the future periods if any.

Centrum Wealth Management Limited
Notes to the Financial Statements for the year ended and as at 31 March 2020

Note 34: Fair Value Measurements

A. Accounting classification and fair values

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

(INR in Lakhs)

Financial Assets and Liabilities as at 31st March, 2020	Carrying value			Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investments*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities	-	1,469.78	1,469.78	-	-	1,469.78	1,469.78	-	-	-	-	-	-	-	-	1,469.78
Other Equity Shares	1.74	-	1.74	0.23	-	1.51	1.74	-	-	-	-	-	-	-	-	1.74
Others (Investment in LLP)	110.84	-	110.84	-	-	110.84	110.84	-	-	-	-	-	-	-	-	110.84
Trade receivables	-	1,507.33	1,507.33	-	-	-	-	-	-	-	-	-	-	1,507.33	1,507.33	1,507.33
Loans and Advances	351.05	643.30	994.35	-	-	-	-	-	-	-	-	-	-	994.35	994.35	994.35
Cash and Cash quivalents	-	874.39	874.39	-	-	-	-	-	-	-	-	-	-	874.39	874.39	874.39
Other Financial Assets	-	137.91	137.91	-	-	-	-	-	-	-	-	-	-	137.91	137.91	137.91
Total	**463.63**	**4,632.72**	**5,096.34**	**0.23**	**-**	**1,582.13**	**1,582.36**	**-**	**-**	**-**	**-**	**-**	**-**	**3,513.99**	**3,513.99**	**5,096.34**
Financial Liabilities																
Borrowings	6.16	8,363.52	8,369.68											8,369.68	8,369.68	8,369.68
Trade Payables	-	1,070.74	1,070.74	-	-	-	-	-	-	-	-	-	-	1,070.74	1,070.74	1,070.74
Lease liabilities	129.11	50.97	180.08											180.08	180.08	180.08
Other Financial Liabilities	-	1,047.13	1,047.13	-	-	-	-	-	-	-	-	-	-	1,047.13	1,047.13	1,047.13
Derivatives instruments designated at FVTPL	-	0.25	0.25	0.25	-	-	-	-	-	-	-	-	-	-	-	0.25
Total	**135.27**	**10,532.60**	**10,667.87**	**0.25**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10,667.62**	**10,667.62**	**10,667.87**

Financial Assets and Liabilities as at 31st March, 2019	Carrying value			Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investments*																
Debt Securities		505.28	505.28	-	-	505.28	505.28	-	-	-	-	-	-	-	-	505.28
Other Equity Shares	1.51	-	1.51	-	-	1.51	1.51	-	-	-	-	-	-	-	-	1.51
Others (Investment in LLP)	141.33	-	141.33	-	-	141.33	141.33	-	-	-	-	-	-	-	-	141.33
Trade receivables	-	1,570.52	1,570.52	-	-	-	-	-	-	-	-	-	-	1,570.52	1,570.52	1,570.52
Loans and Advances	49.19	2,422.09	2,471.28	-	-	-	-	-	-	-	-	-	-	2,471.28	2,471.28	2,471.28
Cash and Cash quivalents	-	264.90	264.90	-	-	-	-	-	-	-	-	-	-	264.90	264.90	264.90
Other Financial Assets	-	13.01	13.01	-	-	-	-	-	-	-	-	-	-	13.01	13.01	13.01
Total	**192.03**	**4,775.80**	**4,967.83**	**-**	**-**	**648.11**	**648.11**	**-**	**-**	**-**	**-**	**-**	**-**	**4,319.71**	**4,319.71**	**4,967.83**
Financial Liabilities																
Borrowings	13.84	5,645.52	5,659.36	-	-	-	-	-	-	-	-	-	-	5,659.36	5,659.36	5,659.36
Trade Payables	-	79.62	79.62	-	-	-	-	-	-	-	-	-	-	79.62	79.62	79.62
Lease liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	352.91	352.91	-	-	-	-	-	-	-	-	-	-	352.91	352.91	352.91
Derivatives instruments designated at FVTPL		0.25	0.25	0.25											-	
Total	**13.84**	**6,078.05**	**6,091.89**	**0.25**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,091.89**	**6,091.89**	**6,091.89**

* All Investments are disclosed except for Investments in Equity Instruments of subsidiaries held at cost (FY 19-20 Rs.25.50 Lakhs, FY 18-19 - Rs. 25.50 Lakhs)

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

C. Fair Value Hierarchy

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

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

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

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

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans, security deposits etc were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

35. Leases

Transition to IND AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability and right of use assets at the present value of the lease payments discounted at the Incremental borrowing as on date of initial application. Accordingly, comparatives for the previous periods have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) and lease liability of 270.58 lakhs. In the Statement of Profit and loss for the current period the nature of expenses in respect of operating leases are recognised as depreciation of right-of-use of assets and finance cost, as compared to lease rent in previous periods, and to this extent results for the current period are not comparable with previous year comparative figures. The adoption of this standard did not have any significant impact on the profit for the period and earnings per share.

The details of Right of Use assets held by the Company is as follows :

Particulars	Category of RoU asset		Total
	Vehicle	Office premises	
As at April 1, 2019			
Gross carrying amount	-	-	-
Deemed cost as at April 1, 2019*	17.93	252.66	270.58
Additions	-	43.58	43.58
Disposals and transfers	-	(39.03)	(39.03)
Closing gross carrying amount	17.93	257.20	275.13
Accumulated depreciation			
As at April 1, 2019	-	-	-
Depreciation charge during the year	8.22	92.91	101.13
Disposals and transfers	-	-	-
Closing accumulated depreciation	8.22	92.91	101.13
Net carrying amount as at March 31, 2020	9.71	164.29	174.00

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

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

The following is the movement in lease liabilities:

Particulars	As at 31 March 2020
Balance as at beginning of the year	-
Additions *	299.21
Finance cost accrued during the period	22.12
Deletions	(40.59)
Payment of lease liabilities	(100.66)
Balance as at end of the year	**180.08**

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

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

Particulars	As at 31 March 2020	As at 1 April 2019
upto 3 months	23.89	-
3 to 6 months	23.24	-
6 to 12 months	45.42	-
1 year to 3 year	74.82	-
More than 3 years	28.39	-
Total	**195.77**	**-**

Rental payments for short term leases and assets not considered as leases under IND AS 116 was Rs. 3,55,81,968 for FY 2019-20.

36. Assets pledged as Security

The Carrying amounts of assets pledged as security for current and non-current borrowings are:

(Rs. in Lakhs)

	Notes	31 March,2020	31 March,2019
Non-Current Assets			
Vehicle	3	22.83	27.22
Total Assets pledged as Security		**22.83**	**27.22**

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

38. Key management personnel Compensation

(Rs. in Lakhs)

Particulars	31	31
Short term employee benefits	323.32	571.80
Post-employment benefits	10.80	10.20
Long term employment benefits	-	-
Termination benefits	-	-
Total	**334.12**	**582.00**

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

39. Details of Derivative Instruments

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

Name of Option	Maturity Grouping	Long Position		Short Position	
		No of Units	Amount	No of Units	Amount
NIFTY 20JUNE7700PUT	< 6 Months	-	-	450	24,748

Details of Open Interest in Equity Index Options as at 31st March, 2019 (At Fair Value) (Amount in Rs)

Name of Option	Maturity Grouping	Long Position		Short Position	
		No of Units	Amount	No of Units	Amount
NIFTY 20JUNE7700PUT	> 12 Months	-	-	450	24,748

40. Related Party Transactions

41. Segment Information

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

The Company is engaged mainly in distribution of Mutual Funds and other Financial products. As such there are no separate reportable segment, as per the Indian Accounting Standard on Segment Reporting (Ind AS 108) notified by the Companies (Indian Accounting Standard) Rules, 2015. The Company's operations are primarily in India, accordingly there is no reportable secondary geographical segment.

42. Employee Benefits

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

As per our attached report of even date

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

Sushil T. Jain
Partner
Membership Number: 033809
Place: Mumbai
Date : June 19, 2020

For and on behalf of the Board of Directors of
Centrum Wealth Management Limited

S Ganashyam
Whole Time Director
DIN 02370933

Arpita Vinay
Whole Time Director
DIN 06940663

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Management Limited
Notes to the Financial Statements for the year ended and as at 31 March 2020
Note 40 : Related party Transactions

Nature of Relationship	Name of Party
Holding Company	Centrum Retail Services Limited
Ultimate Holding Company	Centrum Capital Limited
Key Managerial Personnel	Mr. Ganashyam.S
Key Managerial Personnel	Ms. Arpita Vinay
CFO	Narayan Krishnan (till 31st March, 20)
Company Secretary	Archana Goyal (till 5th Sep, 2019)
Company Secretary	Snehal Saboo (from 6th Sep, 2019)
Non-Executive Director	Rajesh Nanavati
Independent Director	Subhash Kutte
Independent Director	Rajasekhara Reddy*
Subsidiary	Centrum Investments Advisors Limited
Fellow Subsidiary	Centrum Microcredit Ltd
Fellow Subsidiary	Centrum Alternatives LLP
Fellow Subsidiary	Centrum Alternative Investment Managers Limited
Fellow Subsidiary	Centrum Capital Advisors Ltd
Fellow Subsidiary	Centrum Broking Limited
Fellow Subsidiary	Centrum Financial Services Limited
Fellow Subsidiary	Acorn Fund Consultants Private Limited
Entity control by KMP of Ultimate Holding Co Company	JBCG Advisory Services LLP
Entity control by KMP of Ultimate Holding Co Company	BG Advisory Services LLP
Promoters significance influence	Club7 Holidays Ltd
Relative of Non Executive Director	Alok Nanavati

Name of the related party	Description	Transaction during		Receivable / Payable	
		Year ended 31-03-2020	Year ended 31-03-2019	As at 31-03-2020	As at 31-03-2019
Acorn Fund Consultants Private Limited					
	Inter-Corporate Deposits Given	-	35,00,000	-	-
	Inter-Corporate Deposits Received Back	-	2,79,34,865	-	-
	Brokerage, Commission	4,00,000	-	-	-
	Interest Income	-	8,03,364	-	-
	Investment in Equity Shares	-	-	1,51,000	1,51,000
Centrum Capital Limited					
	Rent Income (Reimbursement)	93,072	2,53,822	-	-
	Expenses (Reimbursement)	13,083	27,078	-	-
	Brokerage, Commission	1,05,01,441	3,20,98,833	-	-
	Rent Expenses	23,41,352	85,96,178	-	-
	Electricity Expenses (Reimbursement)	4,97,151	10,31,632	-	-
	Telephone & Leased Line Expenses (Reimbursement)	2,77,618	9,23,063	-	-
	Other Expenses (Reimbursement)	1,84,651	-	-	-
	Brokerage Expenses	24,45,905	29,65,576	-	-
	Investment in CCL MLD's	13,22,11,000	-	-	-
	Profit on Sale of Investment - CCL MLD's	10,11,721	-	-	-
	MLD Proceed on Redemption	13,32,22,721	1,74,40,000	-	-
	Sale of Investment Kapavrish Fund Trust	-	1,90,00,000	-	-
Centrum Retail Services Limited					
	Inter-Corporate Deposits Taken	1,76,16,00,000	2,55,15,87,735	-	-
	Inter-Corporate Deposits repaid	1,95,50,00,000	2,49,08,54,059	-	-
	Business Support Services	4,20,00,000	-	-	-
	Electricity Expenses (Reimbursement)	31,02,333	28,46,870	-	-
	Telephone & Leased Line Expenses (Reimbursement)	6,50,791	56,897	-	-
	Rent Expenses	3,08,81,862	4,06,09,433	-	-
	Travel Lodging and Boarding Expenses (Reimbursement)	72,570	-	-	-
	Staff Welfare Expenses	1,20,214	-	-	-
	Interest Expenses	6,33,79,118	5,78,76,322	-	-
	Postage & Courier Expenses (Reimbursement)	-	2,19,429	-	-
	Printing & Stationery Expenses (Reimbursement)	-	1,89,889	-	-
	Profit on Sale of Investment of Share	-	35,03,50,000	-	-
	Brokerage, Commission & Other Income	1,00,000	9,94,00,000	-	-
	Sale of Investment in Centrum Investment Advisors Ltd	-	35,28,00,000	-	-
	Interest Payable	-	-	(5,70,41,206)	-
	Loan payable	-	-	(37,11,51,892)	56,45,51,892
	Inventories	-	-	-	2,28,04,800
	Sundry Debtors	-	-	1,18,000	-
	Sundry Creditors	-	-	(5,19,166)	-
	Money Received Against Share Warrants	-	10,00,000	-	-
	Share Warrants	-	-	(10,00,000)	-
	Corporate Guaratee taken	25,00,00,000	-	-	-
	Corporate Guaratee balance as on 31st March 20	-	-	-	-
	Investment in CRSL MLD's	14,32,83,800	-	-	-
	Profit on Sale of Investment - CRSL MLD's	12,19,625	-	-	-
	MLD Proceed on Redemption	14,45,03,425	2,81,60,200	-	-
Centrum Investment Advisors Limited					
	Inter-Corporate Deposits repaid	-	87,78,737	-	-
	Other Income	-	47,37,688	-	-
	Business Support Service Fees	1,71,93,657	-	-	-
	Brokerage, Commission	48,49,470	-	-	-
	Interest Expenses	-	2,34,933	-	-
	Sundry Debtors	-	-	82,32,096	31,25,680
	Investment in Equity Shares	-	-	25,50,000	25,50,000
Centrum Alternative Investment Managers Limited					
	Brokerage, Commission	7,47,75,000	-	-	-
Centrum Alternatives LLP					
	Professional Fees Expenses	-	70,93,151	-	-
	Sale of Investment Kapavriksh	-	10,00,000	-	-
	Sale of Investment Acorn Fund	-	73,99,000	-	-

Centrum Wealth Management Limited
Notes to the Financial Statements for the year ended and as at 31 March 2020
Note 40 : Related party Transactions

Centrum Financial Services Ltd					
	Inter-Corporate Deposits Taken	1,19,45,00,000	-	-	-
	Inter-Corporate Deposits repaid	1,09,85,00,000	-	-	-
	Rent Income (Reimbursement)	11,27,512	6,24,148	-	-
	Eelectricity Income (Reimbursement)	1,28,386	1,35,936	-	-
	Other Expenses Reimbursement (Income)	46,299	-	-	-
	Brokerage, Commission	54,27,458	99,45,000	-	-
	Data Sucription Expenses	61,250	1,83,750	-	-
	Professional Fees Expenses	10,87,903	-	-	-
	Brokerage Expenses	-	7,00,000	-	-
	Interest Expenses	94,12,562	-	-	-
	Interest Payable	-	-	(1,61,556)	-
	Loan Payable	-	-	(9,60,00,000)	-
	Investment in CFSL MLD's	1,20,60,27,560	67,07,43,650	-	-
	Profit on Sale of Investment - CFSL MLD's	1,36,89,100	-	-	-
	MLD Proceed on Redemption	1,08,41,87,430	8,45,20,000	-	-
	Investment in CFSL MLD's as on 31 Mar 20	-	-	14,63,57,600	-
Centrum Broking Limited					
	Inter-Corporate Deposits Given	27,30,00,000	39,30,00,000	-	-
	Inter-Corporate Deposits Received Back	51,60,00,000	15,00,00,000	-	-
	Advance against delcredere arrangement	1,75,00,000	-	-	-
	Referral Commission	9,00,000	-	-	-
	Rent Income (Reimbursement)	2,01,407	-	-	-
	Business Support Services Fee	63,11,000	-	-	-
	Expenses Reimbursement	1,14,369	-	-	-
	Interest Income	2,34,94,771	2,88,986	-	-
	Sundry Debtors	-	-	-	-
	Brokerage Expenses	18	44,002	-	-
	Trading Account Expenses	-	26,353	-	-
	Loan & Advances	-	-	-	24,30,00,000
	Margin Placed with Brokers	-	-	10,02,797	10,00,073
Centrum Microcredit Ltd					
	Brokerage, Commission	1,14,32,500	63,83,750	-	-
	Rent Income (Reimbursement)	33,750	22,500	-	-
	Subscription in NCD	-	51,07,00,000	-	-
	Investment in Non Convertible Debentures	12,06,00,000	-	-	2,75,00,000
	Sundry Debtors	-	-	39,825	-
Centrum Insurance Brokers Ltd					
	Inter-Corporate Deposits Taken	2,00,00,000	-	-	-
	Inter-Corporate Deposits repaid	2,00,00,000	-	-	-
	Interest Expenses	9,16,393	-	-	-
	Rent Income (Reimbursement)	93,072	-	-	-
	Electricity Income (Reimbursement)	13,083	2,02,359	-	-
	Telephone & Leased Line Expenses (Reimbursement)	-	31,640	-	-
Centrum Capital Advisors Ltd					
	Brokerage, Commission	2,04,62,000	-	-	-
	Professional Fees Expenses	56,25,000	-	-	-
	Sundry Debtors	-	-	1,32,91,310	-
JBCG Advisory Services LLP					
	Brokerage, Commission & Other Income	1,70,000	4,77,534	-	-
	Investment in Non Convertible Debentures	50,00,00,000	-	-	-
	Sundry Debtors	-	-	1,81,223	3,89,391
BG Advisory Services LLP					
	Brokerage, Commission & Other Income	-	-	-	4,73,294
Club7 Holidays Ltd					
	Travelling Expenses	60,36,965	2,68,74,724	-	-
	Conference Expenses	42,67,768	-	-	-
	Trade Payable	-	-	(5,23,833)	(39,81,599)
Alok Nanavati	Travelling Expenses	1,74,242	-	-	-
Mr. Ganashyam.S*	Salaries and Other employee Benefits	1,90,00,004	3,60,00,003	-	-
Ms. Arpita Vinay*	Salaries and Other employee Benefits	1,44,12,321	2,22,00,000	-	-
Snehal Saboo (from 6th Sep, 2019)	Salaries and Other employee Benefits	4,70,732	-	-	-
Mr. Subhash Kutte	Director Sitting Fees	4,20,000	2,80,000	-	-
	Travelling Expenses Reimbursement	5,345	-	-	-
Mr. Rajesh Nanavati	Director Sitting Fees	4,20,000	2,00,000	-	-
Mr.Rajasekhara Reddy	Non-Executive Director	3,00,000	-	-	-

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

Centrum Wealth Management Limited
Notes to the Financial Statements for the year ended and as at 31st March 2020

Note 42: Employee Benefits

(a) Long term employee benefit obligations

The leave obligations cover the Company's liability for casual and earned leave.
The compensated absences charge for the year ended March 31, 2020 amounting to Rs. (5.35) lakhs (March 31, 2019 - Rs. 8.14 lakhs) has been charged in the Statement of Profit and Loss.

(b) Post employment obligations

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

The expense recognised during the period towards defined contribution plan

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Employer's Contribution to Provident Fund	271.97	287.27

Defined benefit plans

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

(Rs. in lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Total
As at April 01, 2019	218.34	28.52	246.87
Current service cost	58.20		58.20
Interest expense/(income)	17.16	2.24	19.40
Total amount recognised in profit and loss	**75.37**	**2.24**	**77.61**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	5.30	5.30
Actuarial (Gains)/losses on obligations due to change in demographic assumptions	-	-	-
Actuarial (Gains)/losses on obligations due to change in financial assumptions	2.65	-	2.65
Actuarial (Gains)/losses on obligations due to experience	3.12	-	3.12
Total amount recognised in other comprehensive income	**5.77**	**5.30**	**11.07**
Employer contributions	-	212.96	212.96
Benefit payments	(3.48)	(3.48)	(6.96)
As at March 31, 2019	**296.00**	**245.54**	**541.54**

Particulars	Present value of obligation	Fair value of plan assets	Total
As at April 01, 2019	**296.00**	**245.54**	**541.54**
Current service cost	70.71		70.71
Interest expense/(income)	23.06	19.13	42.19
Total amount recognised in profit and loss	**93.77**	**19.13**	**112.89**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(8.22)	(8.22)
Actuarial (Gains)/losses on obligations due to change in demographic assumptions	45.96	-	-
Actuarial (Gains)/losses on obligations due to change in financial assumptions	(15.26)	-	(15.26)
Actuarial (Gains)/losses on obligations due to experience	(37.33)	-	(37.33)
Total amount recognised in other comprehensive income	**(6.64)**	**(8.22)**	**(60.81)**
Employer contributions	-	5.01	5.01
Benefit paid	(12.83)	(12.83)	(25.65)
As at March 31, 2020	**370.3**	**248.63**	**572.98**

The net liability disclosed above relates to gratuity are as follows:

Particulars	31st March, 2020	31st March, 2019
Fair value of plan assets	248.63	245.54
Present value of funded obligations	370.30	296.00
Funded Status Surplus/(Deficit)	(121.67)	(50.46)
Net (Liability)/Asset Recognized in the Balance Sheet	**(121.67)**	**(50.46)**

Categories of plan assets are as follows:

Particulars	31st March, 2020	31st March, 2019	-
Insurer managed funds	248.63	245.54	
Total	**248.63**	**245.54**	

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31st March, 2020	31st March, 2019	-
Expected Return on Plan Assets	6.56%	7.79%	
Rate of Discounting	6.56%	7.79%	
Rate of Salary Increase	0% p.a for next 2 years, 6.26% p.a for the next 1 year, starting from the 3rd year 5.00% p.a thereafter, starting from the 4th year	6.00%	
Rate of Employee Turnover	10.00%	2.00%	
Mortality Rate during Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on Profit and Loss: Increase in assumptions		Impact on Profit and Loss: Decrease in assumptions	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Discount rate	1.00%	1.00%	(22.35)	(34.96)	25.20	41.57
Salary Increase	1.00%	1.00%	21.41	28.54	(14.80)	(28.60)
Employee Turnover	1.00%	1.00%	1.78	7.19	(2.14)	(8.51)

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

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

Risk exposure

Interest Rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Mortality Risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Employer expected contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2020 are Rs. 1,73,62,117 year ending March 31, 2019 are Rs 1,21,16,808.

The weighted average duration of the defined benefit obligation is 15 years (March 31, 2020 – 15 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 2-5 years	Over 5 years	Total
March 31, 2020				
Defined benefit obligation (gratuity)	38.57	145.04	161.82	**345.43**
March 31, 2019				
Defined benefit obligation (gratuity)	6.67	37.54	94.22	**138.43**