



Capitalising on **Opport#nities**

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

### Forward-looking statement

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

# Capitalising on **Opportunities**

*“In the middle of difficulty lies opportunity.”*  
*Albert Einstein*

This quote very aptly sums up FY 2022, a year ridden with uncertainty and challenges, but one that provided us with a unique opportunity for expansion and growth - A coveted Small Finance Banking license, issued by the RBI after almost seven years, based on their confidence in our capabilities.



Multiple waves of the pandemic, impacted lives and livelihoods, tested our resilience – mentally, physically and emotionally and highlighted the uncertainty in which we live. We paused, looked inwards, reset our inner compass and decided to move ahead with renewed vigour.

During the year, we looked at opportunities, strengthened existing foundations and built additional capabilities. Two of our fast growing lending businesses - MSME and Micro finance were transferred to Unity Bank, to get it off to a strong start and provide it with resources to scale up. Our Housing Finance vertical, which faced headwinds owing to the pandemic and slowdown in housing sales, remained well capitalised, entered new geographies and is back on the growth path.

The Investment Banking Team assisted companies in their financial management and closed multiple advisory and syndication deals. Leveraging the bullish sentiments in equity markets and growth in financial savings, our Broking, Wealth and Alternative Investment businesses saw greater traction driven by increased trading volumes, the need for private growth capital, along with a rise in issuances of structured investment products. The Wealth Team handles Client Assets of about ₹ 35,000 crores. We continue to realign our operations, technology and business strategies to meet evolving market requirements, with a steadfast emphasis on customer delight.

With the dedicated efforts of our entire team and support of our partners, we have emerged stronger!

2022 also marks the completion of 25 years of Centrum's growth story. We look back with satisfaction on our evolution from a pure fee based business model to a fee cum lending one, offering varied services to both institutions and individuals. As we move ahead, we aim to combine the inherent strengths of our businesses, capabilities of our team with the rich learnings from our journey so far, and look with enthusiasm to **Capitalise on Opportunities** in the years ahead!

# Executive Chairman's Message



**A Big Win has been us acquiring a coveted Banking license last year. I am grateful to the Reserve Bank of India and other regulatory authorities for giving us the opportunity to build a bank ground up and having faith in our capabilities.**



## Dear Shareholders

The past two years have been a period of uncertainty. With the situation now getting substantially better from where we were, I feel optimistic about opportunities and growth on the road ahead.

It gives me great pleasure to share that the Centrum Group completes 25 years of successful operations this year. From small beginnings in 1997, we are today a leading provider of diverse financial services. Besides sustained growth in our traditional businesses, this year marks our foray into the highly exciting Banking space. I am grateful to our Chairman Emeritus – Chandir Gidwani for his unflinching support and guidance, our Board, partners and the dedicated Centrum team for their contribution in our journey so far.

In the past decade, we seeded and grew many businesses, made acquisitions, expanded internationally and raised growth capital from reputed international funds. Changing market conditions also led us to divest some of our businesses at opportune times. However, a Big Win has been us acquiring a coveted Banking license last year. I am grateful to the Reserve Bank of India and other regulatory authorities for giving us the opportunity to build a bank ground up and having faith in our capabilities to bring relief to the stakeholders of the beleaguered Punjab & Maharashtra Co-operative Bank (PMC Bank). We aim to build a New Age, Digital-first Bank driven through strong corporate governance, technology and customer-centricity.

## Economic Overview

Dear Shareholders, FY2022 has been challenging. Two lockdowns, extended work from home along with a high infection rate, had a very significant impact on lives, livelihoods and businesses. The second wave of Covid brought untold misery on many. Even though India is one of the fastest-growing global economies, it faces headwinds. While the economy grew at 8.7% in FY 2022, a contraction is expected in the current year (2022-23), as the impact of the Russia – Ukraine war weighs heavily on commodity prices and disruption of supply chains. Even before the war began, inflation in many countries had been rising due to supply-demand imbalances during the pandemic, prompting a tightening of

monetary policy. The recent lockdowns in China, restrictions on Palm Oil exports by Indonesia and limited Gas supply from Russia, could cause new bottlenecks in global supply chains and have led to record inflation in India.

The RBI announced a 40 bps rate hike in May 2022 and another 50 bps in June 2022 to tackle inflation, and further hikes are expected during FY2023. The recent export duties levied on metals and select food grains should incentivise manufacturers to sell more domestically and lead to some cooling off in inflation. With India now administering booster shots, the overhang of the pandemic has reduced considerably and we anticipate a pickup in demand, albeit at a slow pace. The commitment and dedicated efforts of every Centrumite during the past months, have helped our businesses overcome challenges, nurture strong relationships with clients, while simultaneously building on new opportunities.

I now share with you the highlights of your Company's performance in FY2022.

In the face of widespread change, your company has shown strong resilience, adaptability and emerged stronger.

**Fee-Based Businesses – Sustained growth driven by stronger industry relationships, widening product portfolio and increased trading volumes**

Capital markets performed well driven by increased capital raising done through IPOs and investments by PE funds in emerging companies. Our Investment Banking teams took advantage of improved sentiments, worked aggressively and did well. The Infrastructure Advisory and Debt Capital Markets teams together closed several

deals. All teams have a strong pipeline of transactions in FY2023.

The Wealth business had an action-packed year and saw a significant increase in its revenue and profitability, driven by diversifying income streams, improved productivity and greater cost controls. Presently it handles Client Assets of about ₹ 35,000 crores, a significant increase over the last year. The business is working towards increased digitisation and improved analytics to drive superior customer engagement, enhance scalability and customisation. A sharp focus on growth and improving operational efficiencies through increased use of technology in servicing clients led to prestigious recognitions from respected Industry platforms such as Asia Money and The Economic Times, along with being recognised as a Great Place to Work! Our Insurance Broking business, which has great synergies with the Wealth business, too fared well and delivered stellar growth in revenue and business premium.

As the lockdown continued through most

of the year, our Institutional & Retail Broking teams maintained their outreach with corporates and investors within the country and abroad. With markets hitting fresh highs and a spurt in capital market activities, the Institutional business saw a sizeable increase in trading volumes and empanelments. It also increased the number of stocks and sectors under coverage along with greater traction in its international outreach to clients in South East Asia, USA, UK and Europe. Our teams played a key role in bringing corporates and investors together by hosting several sector-focused investor conferences, which were well received. Our Retail Broking business revamped its online trading platforms to make them more customer-centric, resulting in increased customer acquisitions.

The Alternative Investments vertical manages our Private Equity and Structured



# Executive Chairman's Message

“  
A quick turnaround from approval to commencing operations, paved the way for the Amalgamation of PMC Bank with Unity, rescuing it from liquidation while providing stability to its employees and protecting customer deposits  
”

Credit portfolios. Owing to an increased demand for private capital, Centrum Credit Opportunities fund made four new investments, taking its total tally to twelve investments. Kalpavriksh, our PE fund too is performing well, as three out of its six portfolio companies managed to raise fresh capital at higher valuations. Additionally, we are in the process of introducing a new venture debt fund.

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

Our Affordable Housing Finance vertical had a slow start, owing to the second wave of the pandemic and the subsequent slow down in real estate sales. However, as the situation eased, the business ramped up its efforts significantly both in fresh

disbursals and collections and recovered strongly. We established a presence in Uttar Pradesh and now operate in seven states. With the pandemic in check, we see a big opportunity in the low to middle-income segments in tier 2 & 3 cities, driven by favourable interest rates and support extended by the Government through its various initiatives.

## MSME & Micro Finance

During the first half of the financial year, our MSME and Micro Finance lending businesses faced headwinds due to the pandemic, as business activity slowed down and borrowers opted for moratoriums. However, both businesses showed resilience and worked towards maintaining asset quality, while limiting fresh disbursals. We subsequently merged

both businesses with Unity Small Finance Bank for greater synergies and access to the Bank's deposit base for further growth.

## Building a New Age Bank. Bringing Relief to a Beleaguered One.

Dear Shareholders, as shared in my last message, all of us at Centrum feel a sense of pride that the RBI issued a Small Finance Bank License to our fast-growing and profitable NBFC - Centrum Financial Services Ltd, demonstrating faith and confidence in our capabilities. Besides enabling us to reach out to a wider customer base and geographic reach, it helps in obtaining capital at a competitive cost, thereby paving the path for sustained growth.

### Unity Small Finance Bank (Unity)

endeavours to be a truly inclusive digital bank. Our business model is one of collaboration and open architecture, uniting all stakeholders to deliver a seamless digital experience. We have committed capital of ₹ 3,000 crores.

During the year, our team worked hard to operationalise the bank in record time. A quick turnaround from approval to commencing operations, paved the way for the Amalgamation of PMC Bank with Unity, rescuing it from liquidation while providing stability to its employees and protecting customer deposits. An existing depositor base, Centrum's profitable MSME and Microfinance businesses, a strong Board led by former CAG Vinod Rai and the highly capable management team, have provided a formidable foundation to the Bank that will help scale up operations quickly.

## Financial Performance

Our consolidated income increased Y-o-Y by 37% to ₹ 703.64 crores whereas standalone income grew Y-o-Y by 20% to ₹ 66.19 crores.

We have taken a strategic call of writing off the entire goodwill of PMC Bank along with making substantial provisions against their loans. This along with the significant cost of amalgamating PMC Bank with Unity Bank, impacted our profitability.

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

While we continue to grow our businesses with the utmost transparency and high standards of corporate governance, we believe in supporting the communities around us through our CSR arm, the Centrum Foundation, whose activities are focused on improving the health, nutrition and well being of underserved fellow Indians.

#### Covid-19 Assistance

The pandemic pushed the world into a long and challenging battle. Even as the situation improved, the less fortunate remained vulnerable and saddled with reduced incomes, lack of groceries, essentials and medical support. Besides providing financial assistance to many impacted, we supported them with

essentials and groceries that were difficult to procure during the lockdown.

The Foundation also procured Oxygen Concentrators to address the acute oxygen shortage during the second wave of the pandemic. This was available for use for all in need including our staff members and their families.

#### Healthcare Initiatives

We sponsored Cochlear implants for hearing impaired, underprivileged children. These children below 5 years of age belong to poor and marginalised families. Surgery at an early age helped restore their hearing and enabled them to start attending school, helping them to lead a normal life. We also tied up with the Paediatric Department of Sion Hospital, in Mumbai to offer free OPD treatment, medicines and medical devices to children with pulmonary complaints, such as asthma, requiring long-term treatment.

The Foundation also assisted the Shanti Shankalp Kalyankary Nyas, a non-profit organization in Ballia, Uttar Pradesh to set up a Vision Centre in Tutuwari, a remote village in Ballia. This vision centre will provide a range of eye care treatments to

the catchment area.

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

### Employee Welfare

We undertook several initiatives for the well-being and safety of our employees and their families. Well before the lockdowns were announced, we put most of our staff on Work from Home. Only those in essential service functions attended office, that too with strict guidelines. Regular checks were done on the mental and physical health of teams. We arranged a vaccination camp at our corporate office in Mumbai for our staff and their families. Additionally, we tied up with an online medical services provider and arranged sessions on mental well being and dealing with fatigue and mental stress brought by the lack of social interactions for staff working from home.


### FY2023 – An Exciting Journey Awaits Us ....

FY2022 tested us in many ways - the resilience of our businesses, the agility of our operations and teams, our ability to adapt and our financial strength. With much of the uncertainty surrounding the pandemic now factored in, along with a slim chance of future lockdowns, we look at FY2023 with renewed optimism. Each of our businesses has spent considerable time and effort reviewing its growth strategy and streamlining operations to be better prepared for the vagaries of a fast-changing world.

I look forward to sharing more milestones in our journey in the coming years and on behalf of the Board, take this opportunity to thank our clients, investors, regulators, and you dear shareholders for the continued trust and confidence in the Centrum Group.

With Best Wishes,

**Jaspal Singh Bindra**



Each of our businesses has spent considerable time and effort reviewing its growth strategy and streamlining operations to be better prepared for the vagaries of a fast-changing world

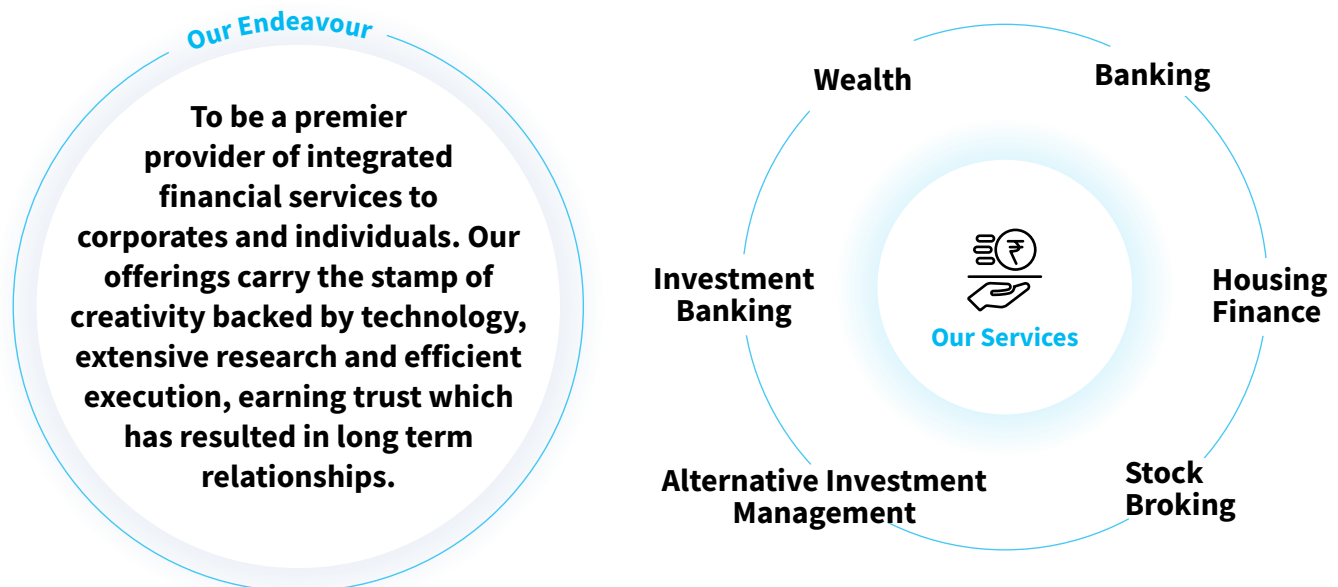
## About Us

# Valuable Franchise with a Balanced Mix of Corporate and Retail Services

One of India’s fast growing and diverse financial services groups, Centrum has been serving the financial and advisory needs of institutions and individuals for two and a half decades.

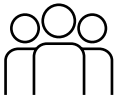
Our Institutional services include Investment Banking and Broking to FIIs, Pension Funds, Indian Mutual Funds, Domestic Institutions etc. We also provide Wealth Management Services to HNIs and Family Offices, Affordable Housing Finance in tier 2 & 3 cities and Retail Broking services. Our Asset Management business has funds across Private Debt and Venture Capital.

We have been providing MSME Loans and Micro Finance for a few years. With these businesses now merged into Unity Small Finance Bank, our most recent venture, they are expected to scale up substantially. We are a PAN India Group with a strong leadership team of seasoned professionals with a successful track record, operating out of 140+ cities and with an international presence in Singapore.





# Key Metrics\*



## People & Presence

Employee diversity along with a widespread geographic presence brings new ideas and perspectives to the fore, leading to greater productivity.

**2,915**

Employees



## Philanthropy

The Centrum Foundation, our CSR arm works towards supporting marginalised communities in the areas of health, nutrition and well being , helping to improve the quality of their lives.

**7**

Cochlear Implants Sponsored



## Performance

We evaluate our performance on a variety of parameters and consistently benchmark ourselves across industry standards.

Market Capitalisation

**~₹ 1,075 Crores**

BSE & NSE

**141**

Cities

**1,000+**

Families provided with Essentials & Groceries during Lockdown

**~₹ 704 Crores**

Consolidated Income

**325**

Branches and Offices

**1 Lakh +**

Meals Distributed in Cancer Shelter Homes

**~₹ 35,000 Crores**

Client Assets Handled

**70+**

Members with 10+ years of service

\* As on 31 March 2022

## Important Milestones

# Transforming to Capitalise on Opportunities

From small beginnings in 1997 to setting up a Bank in 2022, we have come a long way. Today, we are a well respected Group with a mix of Banking, Fee and Lending businesses, servicing clients in India and overseas. It has truly been an exciting and rewarding journey. A quick overview of the significant developments over the last few years, on our road to growth and diversification.

- Launched Insurance Distribution, Housing Finance, SME & MSME Finance businesses.
- Launched Kalpavriksh – Our maiden Private Equity Fund.
- Introduced CentrumPay - an innovative Mobile wallet cum physical Rupee Card.
- Entered Micro Finance Lending with the acquisition of FirstRand Bank India's (FRBI) Microfinance portfolio.
- Received Direct Insurance Broking Licence from IRDAI.
- Successfully monetised the Money Exchange business CentrumDirect by selling it to Atlanta based, NASDAQ listed – Ebix Inc.
- Acquired L&T Finance's Supply Chain Finance Business.

2016



2017



2018



Forex  
0 crore

Commenting on the sale, group chairman Jaspal Bindra said though the money exchange, consolidated growth, consolidation are expected to sustain business as more transactions in this pressure in the digitiz

Launch of Kalpavriksh Fund



Unity Bank off to a Strong Start



# 2019

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

# 2020

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

# 2021

- Micro finance Business tied up with fintech firm PayNearby to offer unsecured business loans.
- **RBI issued Small Finance Bank License to Centrum – the first after a gap of almost 7 years!**
- **Unity Small Finance Bank commenced operations. Quick turnaround from in-principle approval to operationalisation.**
- MoU with the Bank of Baroda for Co-Lending of Home Loans.

# 2022

- Ministry of Finance sanctions Amalgamation Scheme of PMC Bank with Unity Bank. PMC Bank's branches and employees join Unity Bank, moving to a space of security and stability.
- 1st Tranche of payouts made to PMC Bank customers.
- Centrum Wealth certified as Great Place to Work by Great Places to Work Institute!

# Board of Directors



**Chandir Gidwani**

Founder and Chairman Emeritus



**Jaspal Singh Bindra**

Executive Chairman



**Mahakhurshid Byramjee**

Non-Executive Director



**Rishad Byramjee**

Non-Executive Director



**Ramchandra Kasargod Kamath**

Non-Executive Director



**Anjali Seth**

Non-Executive  
Independent Director



**Manmohan Shetty**

Non-Executive  
Independent Director



**Narayan Vasudeo Prabhutendulkar**

Non-Executive  
Independent Director



**Rajasekhara Reddy**  
Non-Executive  
Independent Director



**Subhash Kutte**  
Non-Executive  
Independent Director



**Subrata Kumar Mitra**  
Non-Executive  
Independent Director



**Rajesh Kumar Srivastava**  
Non-Executive  
Independent Director



**Sankaranarayanan  
Radhamangalam Anantharaman**  
Non-Executive Independent Director

## Strategic Overview

# Finding Opportunities Amid Uncertainties

FY2022 was challenging, driven by the overhang of the pandemic, lockdowns and pervasive market uncertainty.

The year tested our resilience, determination and persistence.

However, timely interventions by the Government and an accommodative monetary policy regime, provided stability and laid the foundation for us to Capitalise on Opportunities.





As an organisation, we have always believed in reinventing ourselves during downturns to emerge stronger. Our values of Integrity, Customer Centricity and Trust, helped us stay grounded and mindful, while we embraced the challenges and reviewed our businesses to bring in greater efficiencies for improved client delight.

While each business in the Group operates as an independent entity, our teams leveraged their strengths and took on additional responsibilities to help each other grow. Our Investment Banking and Broking teams collaborated to close several transactions. The lending businesses diversified their resource base, entered into

strategic alliances and forayed into new geographies. We continued our efforts to serve the underserved during these challenging times through Centrum Foundation.

Based on our Group performance, credentials and the success of our NBFC, MSME and Micro Finance businesses, we secured a coveted Small Finance Bank license in 2021. Unity Bank got operationalised in record time and provides a huge opportunity for growth through sizeable deposits, a large customer base and geographic expansion.

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

# Action Across Businesses

## Decisive Actions Delivering Value

Our Group saw sustained business growth across verticals, driven by capital raise, geographic expansion as well as strategic partnerships for business expansion.

### Investment Banking

Taking advantage of improving sentiments in Capital and Fund-Raising Markets, our Equity Capital Markets (ECM), Infrastructure Advisory & Debt Syndication teams worked closely to advise marquee clients in their Capital Raising and Business Advisory Plans.



Infrastructure Advisory



Sole Financial Advisor to Premier Energies in their capital raise of ₹ 200 crores from GEF Capital.



Sole Financial Advisor to Jupiter International Ltd. in their fund raise of ₹ 170 crore from Edelweiss Group.



Debt Capital Markets



Distribution Logistics Infrastructure Private Limited

₹ 750 cr

Restructuring



SPVs of Shapoorji Pallonji group

₹ 220 cr

Refinancing



Tessitura Monti

₹ 100 cr

Restructuring



Plasmagen Biosciences Private Limited

₹ 75 cr

Project Loan



JWIL Infrastructure

₹ 60 cr

Working Capital



Steel Exchange of India

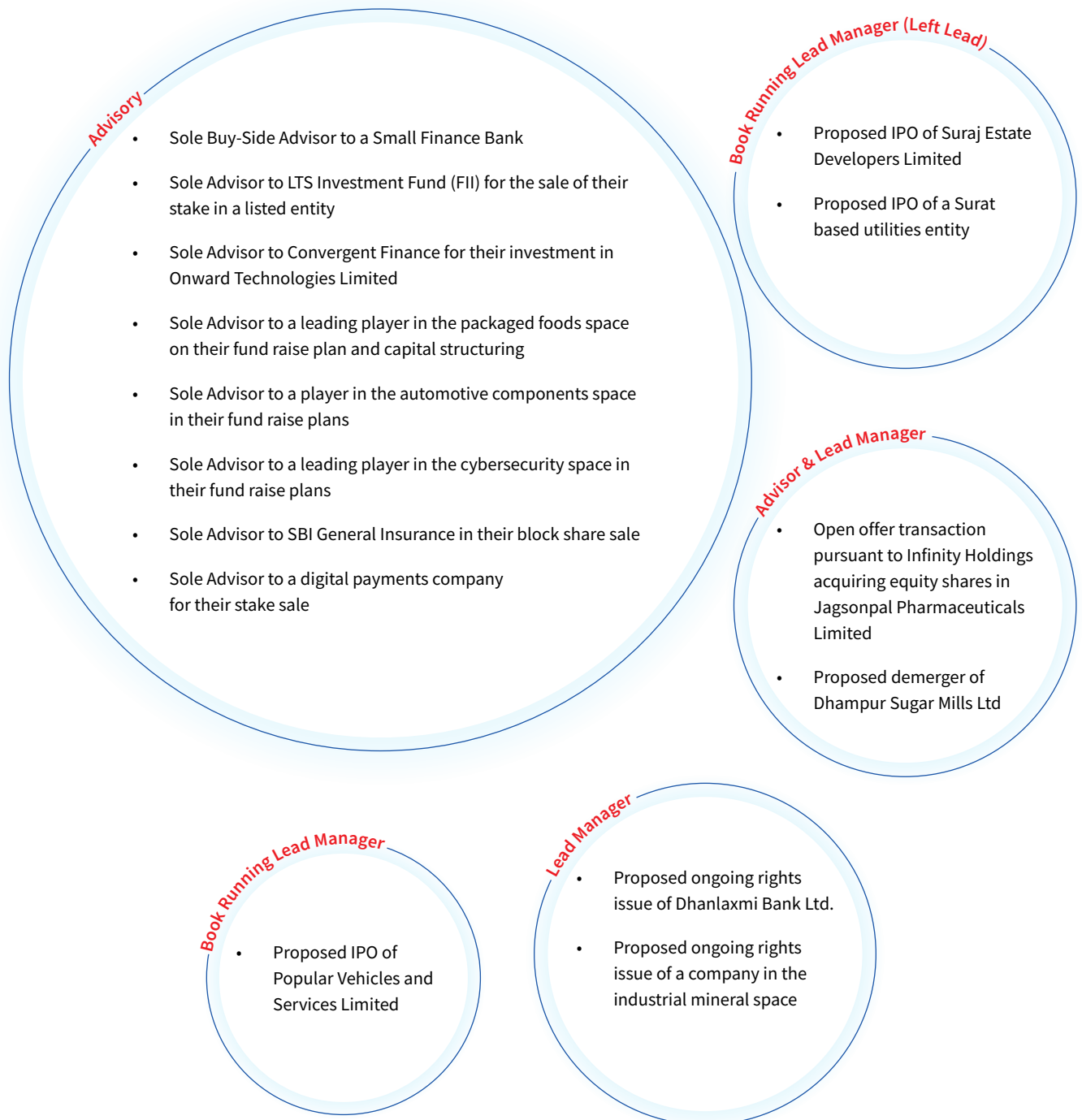
₹ 60 cr

Working Capital





Equity Capital Markets



# Action Across Businesses

## Lending Businesses Gain Momentum

### Sustained Growth in Micro Finance\*

#### Raised Non-Convertible Debentures (NCDs)

Despite a challenging credit environment, our microfinance team successfully raised ₹ 75 crores from NCDs. The Micro Finance and Wealth teams worked together to exclusively place the NCDs with HNIs. The business utilised the funds to provide financial assistance to women helping them achieve their entrepreneurial dreams.



#### Partnered PayNearby for Business Expansion

In May 2021, the business tied up with Fintech Major 'PayNearby' to offer unsecured business loans to their retail partners. The alliance enabled PayNearby customers to avail of loans up to ₹ 1 lakh for a duration of 6-24 months. Retailers impacted due to Covid lockdowns, got financial assistance as they borrowed to meet their working capital or growth finance needs. The partnership also helped us diversify our operations geographically.



\* During the year, Centrum's MSME, Supply chain finance and MicroCredit businesses were merged with Unity Small Finance Bank

### Housing Finance Widens Reach

#### Signed co-Lending MoU with Bank of Baroda

The Housing Finance vertical that offers loans for affordable housing, signed a MoU with Bank of Baroda in December 2021 for sourcing and financing loans under the Co-lending Model (CLM) mechanism. This was a significant achievement, as it opened up multiple opportunities for both organisations. Both teams were able to leverage each other's strengths to maximize credit flow to the underserved and unserved segments of the economy.

#### Making in-roads into Uttar Pradesh

Continuing its journey of having a strong presence across the country, the business opened it's first office in Uttar Pradesh to service the growing affordable housing market, there.

In a short span of four years, the Housing Finance vertical has built a sizeable loan book, raised PE capital and built a large customer base with presence in seven states in India.



# Action Across Businesses Fostering Stronger Relationships

Long-term value is created through strategic partnerships and meaningful dialogues with all stakeholders. Our Institutional Broking team regularly engages with investors, corporates and intermediaries by periodically organising engaging events to interact, debate and collaborate on new ideas and business initiatives.

## Flagship Investor Conference

### Orion 2021 – Annual Investor Conclave

The flagship Investor Conclave, '**Orion**'- **Big Ideas, Big Growth** was hosted by the team in November 2021. The event saw participation from over 150 investors and 80 large and mid-sized corporates that have been growing sustainably and with potential to emerge even stronger in the next decade. Over 650 productive meetings took place. Prominent companies such as TCS, HUL and L&T participated.



## Thematic conferences

The Pandemic affected industry sectors in different ways. Some benefitting and others getting adversely impacted. Our teams worked closely with stakeholders to identify changes in buying behaviour, impact of inflation, supply side constraints, amongst other key trends. We hosted three thematic conferences, which were appreciated by investors, corporates and industry bodies.

### Consumer Corporate Day

August 2021  
FMCG and other  
consumption driven sectors

### Metals Corporate Day

September 2021  
Emerging trends in the  
Metals & Mining space

### Hospital and Diagnostics Corporate Day

March 2022  
The positive impact of the  
pandemic on the sector

# Unity Bank

## Building a New-Age Bank

## Bringing Relief to a Beleaguered One

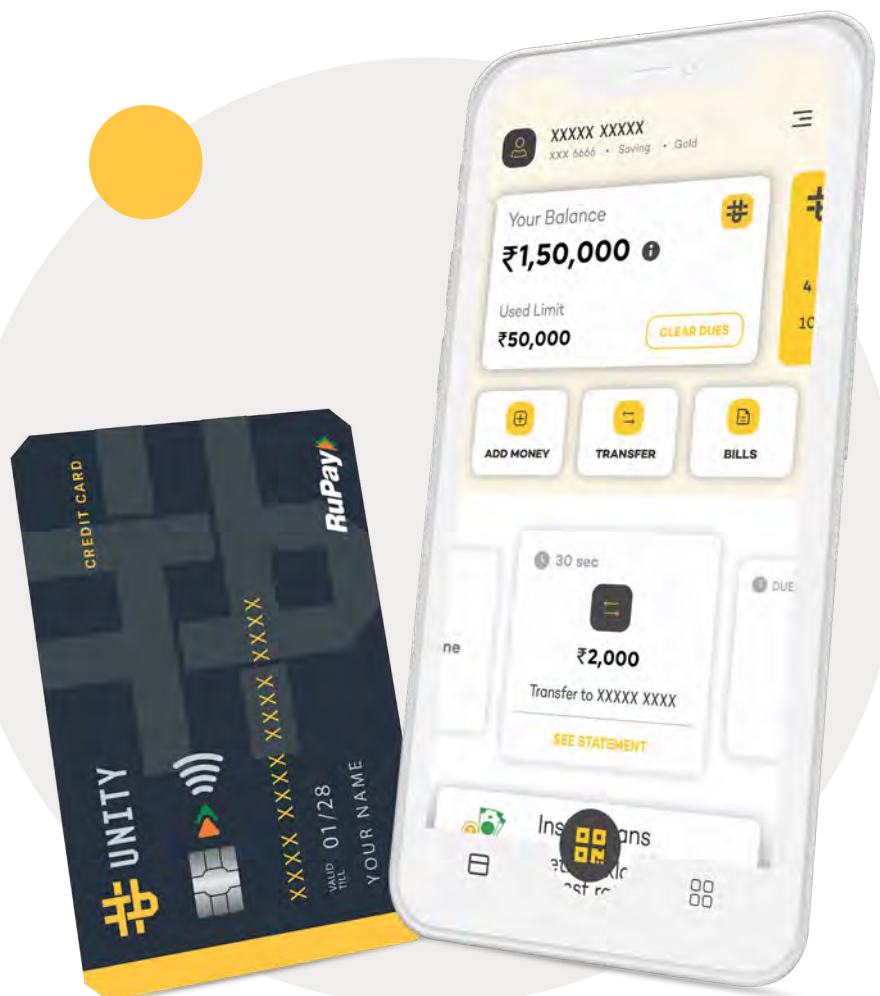
After a gap of nearly seven years, the RBI issued a new banking license and we feel proud and delighted that they chose Centrum Financial Services, our young and successful NBFC, to establish a new Small Finance Bank (SFB), a big opportunity, as we started our lending businesses just a few years ago.

Along with our Partner – Resilient Innovations Pvt. Ltd., we are committed to make Unity Bank a truly inclusive digital bank. Our business model is one of collaboration and open architecture, uniting all stakeholders to deliver a seamless digital experience.

The formation of Unity Bank also paved the way for the revival and subsequent amalgamation of the beleaguered Punjab & Maharashtra Co-operative Bank (PMC Bank) with Unity Bank. Having complied with all required regulatory approvals and keeping PMC Bank's depositors' interest foremost, we began operations on 1st November 2021, demonstrating a quick turnaround from RBI's approval.

Further, Unity Bank's shareholders have committed capital of over ₹ 3,000 crores through cash and warrants, which are being utilised to build a strong

foundation for the Bank, hire the right talent and bring best-in-class technology to deliver a superior banking experience.

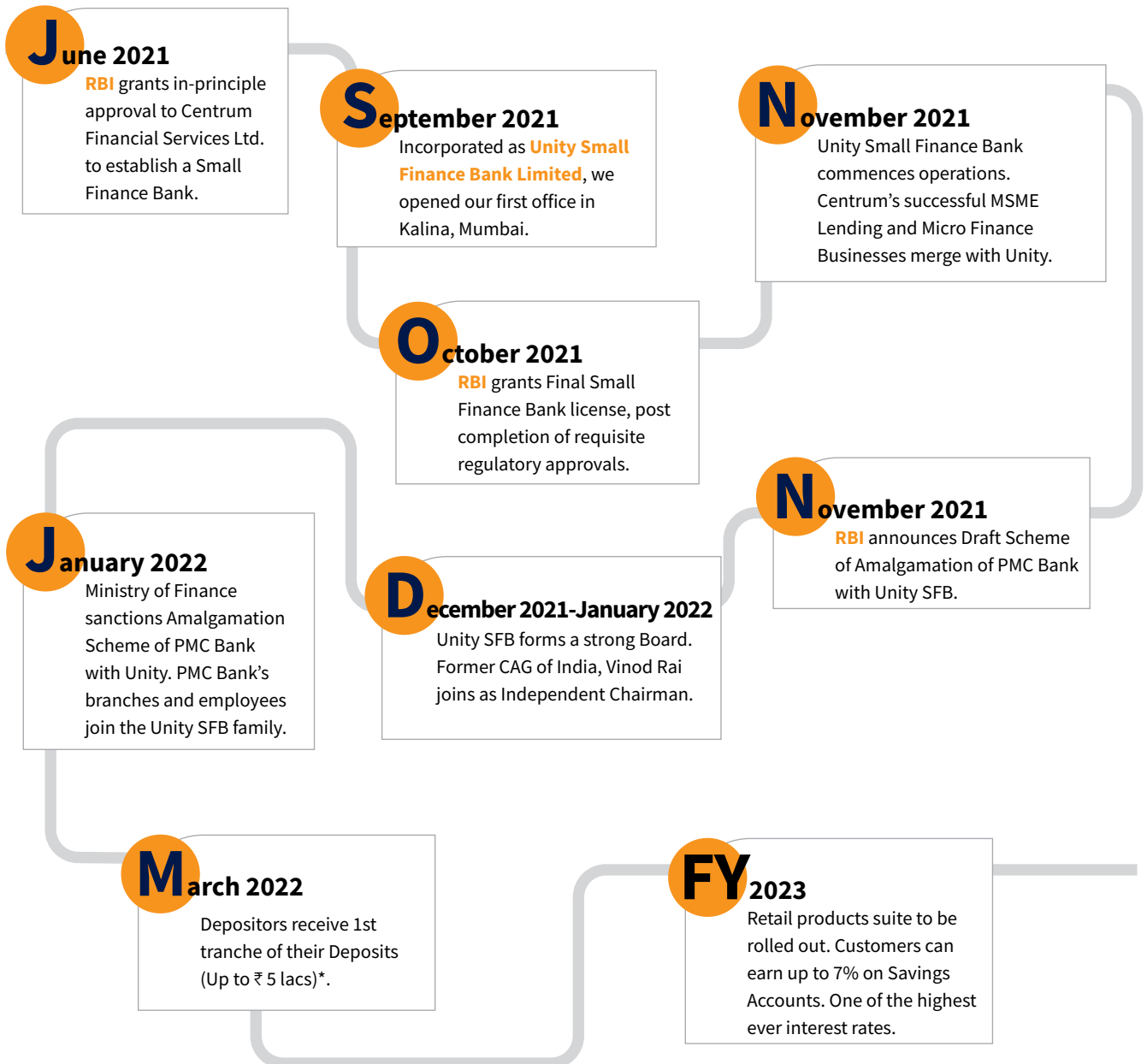


## Bank's Endeavour

Unity Bank endeavours to offer comprehensive banking services, along with ease of accessibility, reach and speed, using a combination of advanced technology and expert banking services. The rising internet penetration in India and the push towards digital banking is likely to bolster financial inclusion further.

### Timeline

The following timeline highlights our journey from in-principle approval to becoming operational - a quick rollout.

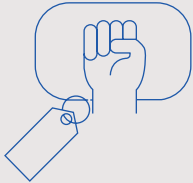


\*subject to completion of requirements as per DICGC rules

## Growth Engines

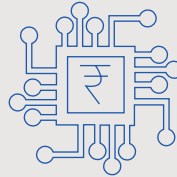
## 1 Strong Brand

- Name signifies inclusiveness, conveying that we are a Bank for Everyone.
- Logo symbolizes a dual visual strategy; the convergence of technology and the bringing together of people.



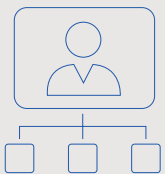
## 2 Cutting-edge Technology

- Universal card (Debit/Credit/BNPL) for physical & virtual use, with an option of converting spends into EMIs.
- Branches will be re-branded as Experience Centres featuring 24x7 self service kiosks, assisted digital banking operations, analytical advisory, etc. while sporting a modern look.



## 3 Robust Corporate Governance and Risk Management

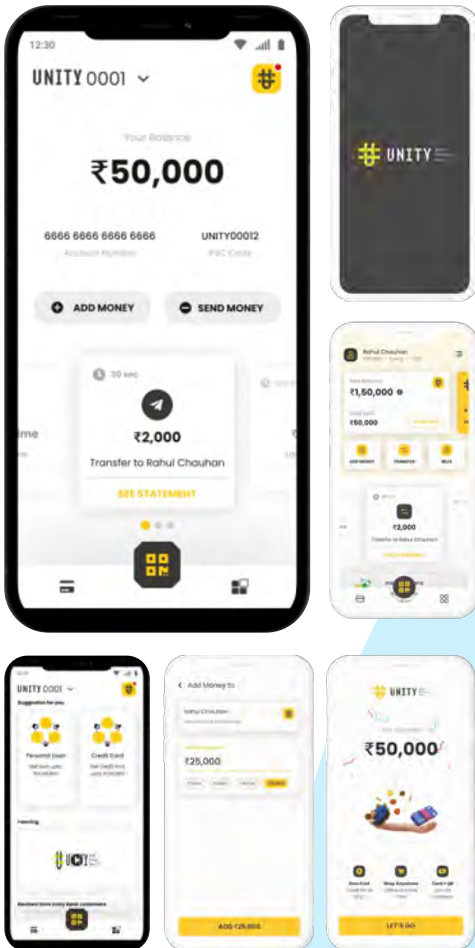
- The Board comprises industry stalwarts with experience across multiple fields such as Banking, Hospitality and Fintech
- The Board is further empowered by the presence of Vinod Rai, former IAS officer and CAG of India.



## 4 Customer Centricity

- A combination of superior technology and easy to use services to simplify banking.
- Account opening within few minutes. Instant credit / OD limit basis CIBIL score.
- Interface personalization with smart yet non-intrusive prompts and notifications.





Board of Directors



Management Team

## PMC depositors get first payout

**OUR SPECIAL CORRESPONDENT**

Mumbai: Unity Small Finance Bank has paid out around Rs 3,791.55 crore to 8.5 lakh account holders in Punjab and Maharashtra Cooperative Bank (PMC Bank) — bringing some relief to the depositors who were denied access to their life savings after the bank collapsed in 2019.

In January, the finance minister had sanctioned the amalgamation of PMC Bank

Unity Bank is promoted by Centrum Financial Services Ltd with Resilient Innovations Pvt Ltd, the BharatPe parent, as a joint investor.

It commenced operations in November 2021 after the Reserve Bank of India issued a small finance bank licence with a capital infusion of Rs 1,100 crore, total assets of about Rs 2400 crore and an active customer base of over 2 lakh. While Centrum holds 51 per cent in the lender, the rest is held by Resilient Innovations.

## Ex-CAG Vinod Rai joins Unity SFB as independent chairman

**Staff Writer**  
feedback@livemint.com



Former CAG Vinod Rai. MINT

**MUMBAI:** The Reserve Bank of India (RBI) on Thursday approved the appointment of former comptroller and auditor general (CAG) of India Vinod Rai as independent chairman of Unity Small Finance Bank, the newest private lender in India.

Rai, a former chairman of Banks Board Bureau which advises the Centre on top-level appointments at public sector

other board members include former central bank official Sandip Ghose; former chairman and managing director of Syndicate Bank and former deputy managing director of SIDBI Basant Sethi; and former RBI Bank chairman Subhash Kuttie.

Last year, Rai had failed to secure a third term as a non-independent and non-executive director on the board of IDFC, after 62.3% of its shareholders voted against the proposal. Unity SFB's proposed merger

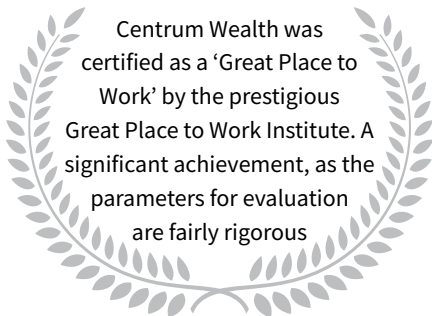
eral PSUs and private banks will help in building a strong foundation and shaping the long-

## Awards & Accolades

# Inspiring Appreciation

In spite of a challenging macro environment, our teams have been working hard to service clients efficiently with rewarding ideas and opportunities. We feel humbled that highly credible Industry forums have recognized our efforts. These recognitions motivate us to work even harder.

### Accolades Received During the Year:-







These awards are a validation of our commitment to provide a superior customer experience and our continuous efforts to raise the bar.

## Employee and Family Welfare

# Caring for Our Team

Employee welfare has always been a top priority at Centrum. During the pandemic, we took several measures for the well-being and safety of our team. Vaccination drives, medical supplies, counselling sessions, doctor consultations and many other initiatives were arranged to help our team stay fit and mentally positive.



### Vaccination Drives

The pandemic had a significant impact on all of us. The second wave in particular saw daily life getting disrupted and creating distress, due to an acute shortage of hospital beds, oxygen and medicines. Given the initial shortage of vaccines, we partnered with Surya Hospital in Mumbai to conduct a vaccination drive for our employees, support staff and their families at our corporate office in Mumbai. Additionally, we tied up with pathology labs PAN India to arrange vaccinations for our teams outside Mumbai. In Mumbai alone, we vaccinated over 800 staff members and their families, while maintaining protocols of social distancing.



### Oxygen Cylinders

Shortage and delay in oxygen supply caused great distress and created a huge crisis, resulting in complications and fatalities among Covid patients. It also resulted in panic, deep sorrow and a feeling of helplessness among families. Jointly with the Centrum Foundation, we procured oxygen concentrators, which were kept at multiple locations for use by our team members and their families.



### Mental Wellness Sessions

Besides providing facilities to improve and maintain our employees' physical health, we also arranged sessions to address their mental wellbeing. We collaborated with DocOnline and arranged webinars by a renowned clinical psychologist, Dr Rachel Jayaseelan. The sessions focused on ways to keep the mind active and healthy during 'Work from Home' along with yoga sessions, meditation and breathing exercises.

## CSR

# Centrum Foundation Improving Lives

The pandemic pushed the world into a long and challenging battle. Even as the situation improved, the less fortunate remained vulnerable. The Centrum Foundation, our CSR Arm undertook several initiatives to bring relief to the underserved and those adversely impacted by Covid.



### Free OPD Services

We tied up with the Paediatric Department of Sion Hospital, in Mumbai for offering free OPD treatment, medicines and medical devices to children with pulmonary complaints, such as asthma, requiring long-term treatment.



### Meals Distribution at Cancer Shelter Homes

The Foundation has adopted four Cancer Shelter Homes in Mumbai and provides meals to the inmates, who come from across the country for treatment at the Tata Memorial Hospital, Mumbai.

### Centrum Foundation's Efforts Recognised by BMC

We are happy to share that the Municipal Corporation of Mumbai (BMC), has recognised the contributions made by the Foundation, in its recently released handbook - 'Principles of Medical Management of COVID-19'.



### Cochlear Implants

Cochlear implants restore hearing impairment in children, who are born deaf but being expensive, children from poor families are unable to afford them. During the year, we supported the surgeries of 7 children from marginalised families and restored their hearing. They subsequently underwent speech and hearing therapy, and now attend school. We are happy that they are leading a healthy and normal life.



### Financial Assistance for Medical Treatment & Education

During the pandemic, many families faced hardships, fighting Covid or facing loss of jobs, resulting in inadequate or no earnings. They were unable to afford even basic medical treatment or bear the school/college fees of their children. We provided financial assistance to many such needy families to help them get back on their feet, remain healthy and also ensure that their children's education continues.

# Corporate Information

## Board of Directors

### Chandir Gidwani

Founder and Chairman Emeritus

### Jaspal Singh Bindra

Executive Chairman

### Mahakhurshid Byramjee

Non-Executive Director

### Rishad Byramjee

Non-Executive Director

### Ramchandra Kasargod Kamath

Non-Executive Director

### Anjali Seth

Non-Executive Independent Director

### Manmohan Shetty

Non-Executive Independent Director

### Narayan Vasudeo Prabhutendulkar

Non-Executive Independent Director

### Rajasekhara Reddy

Non-Executive Independent Director

### Subhash Kutte

Non-Executive Independent Director

### Subrata Kumar Mitra

Non-Executive Independent Director

### Rajesh Kumar Srivastava

Non-Executive Independent Director

### Sankaranarayanan Radhamangalam

Anantharaman

Non-Executive Independent Director

### Late Rajesh Nanavaty

Passed away on 3rd August 2021

## Chief Financial Officer

Sriram Venkatasubramanian

## Company Secretary

Late Alpesh Shah

(Passed away on 12th October, 2021)

Balakrishna Kumar

(8th April - 9th May 2022)

Parthasarathy Iyengar

(10th May 2022 onwards)

## Registered Office

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

Tel: 022-2266 2434

Fax: 022-2261 1105

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

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

## CIN

L65990MH1977PLC019986

## Corporate Office

Centrum House, CST Road,  
Vidyanagari Marg, Kalina,  
Santacruz (East),  
Mumbai-400098

Tel.: 022-4215 9000

Fax No.: 022-4215 9940

## Registrar and Share Transfer Agents

Link Intime India Private Limited

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

Tel. No.: 022 - 4918 6000

Fax No.: 022 - 4918 6060

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

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

## Bankers

City Union Bank Limited

Federal Bank Limited

Bank of Baroda Limited

HDFC Bank Limited

## Statutory Auditors

M/s. Sharp & Tannan,  
Ravindra Annexe, 194,  
Churchgate Reclamation,  
Dinshaw Vachha Road,  
Mumbai 400 020.

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

Fax No.: 022 - 2286 9949

Website: [www.sharp-tannan.com](http://www.sharp-tannan.com)

E-Mail: [contactus@sharp-tannan.com](mailto:contactus@sharp-tannan.com)

# Directors' Report

Dear Members,

The Directors have pleasure in presenting the 44<sup>th</sup> Annual Report and Audited Accounts of the Company for the Financial Year ended March 31, 2022.

## Financial Highlights

The summarized performance of the Company for the Financial Years 2021-2022 and 2020-2021 are given below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
<b>Net revenue from operations</b>	2,808.76	2,640.40	67,993.50	47,567.37
Net Gain/(Loss) on Fair value change	624.24	406.35	(1,067.41)	2,214.01
Add: Other operating income	747.31	567.51	1,459.71	240.53
Total revenue from operations	4,180.31	3,614.26	68,385.81	50,021.91
Other Income	2,438.93	1,964.41	1,978.51	1,292.62
<b>Total Income</b>	<b>6,619.24</b>	<b>5,578.67</b>	<b>70,364.32</b>	<b>51,314.53</b>
Total expenditure before finance cost, depreciation & exceptional items and taxes and impairment of financial assets	3,317.25	2,957.29	50,172.10	27,054.85
Profit/(Loss) before finance cost, depreciation, exceptional items and taxes and impairment of financial assets	3,301.99	2,621.38	20,192.22	24,259.68
Impairment of financial assets	856.23	24.69	3,478.58	1,697.43
Profit/(Loss) before finance cost, depreciation, exceptional items and taxes	2,445.76	2,596.69	16,713.64	22,562.25
Less: Finance cost	5,875.88	2,877.82	32,998.70	23,842.87
Profit/(Loss) before depreciation, exceptional items and taxes	(3,430.12)	(281.13)	(16,285.06)	(1,280.62)
Less: Depreciation	185.46	217.09	2,146.81	1,919.21
<b>Profit before exceptional items and taxes</b>	<b>(3,615.58)</b>	<b>(498.22)</b>	<b>(18,431.87)</b>	<b>(3,199.83)</b>
Add/(Less): Exceptional items	-	-	-	-
<b>Profit/(Loss) before taxes</b>	<b>(3,615.58)</b>	<b>(498.22)</b>	<b>(18,431.87)</b>	<b>(3,199.83)</b>
Less: Provision for current taxation	-	21.63	593.22	562.86
Less: Provision for Income Tax for earlier Years	(119.10)	233.21	11.77	501.75
Less: Provision for deferred taxation and MAT	(137.34)	149.33	(42.94)	(83.57)
<b>Profit/(Loss) after taxes available for appropriation</b>	<b>(3,359.14)</b>	<b>(902.39)</b>	<b>(18,993.92)</b>	<b>(4,180.87)</b>
Total Other Comprehensive Income/(Loss)	4.57	(21.91)	(447.13)	(54.55)
Add: Share in Profit/(Loss) of Associates	-	-	-	-
Less: Non-controlling Interest	-	-	-	489.16
<b>Balance to be carried forward</b>	<b>(3,354.58)</b>	<b>(924.30)</b>	<b>(19,441.06)</b>	<b>(4,724.58)</b>

## Financial Performance and State of Company Affairs

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

## Consolidated Financial Statements

As per Regulation 33 of the Listing Regulations and applicable provisions of the Companies Act, 2013 ("the Act"), read with the Rules issued thereunder, the Consolidated Financial Statements of the Company for the Financial Year 2021-22, have been prepared in compliance with applicable IND AS and on the basis of Audited Financial Statements of the Company, its Subsidiaries and Associate Companies, as approved by the respective Board of Directors. In accordance with the applicable IND AS 110 on Consolidated Financial Statements read with the Listing Regulations, the Consolidated Audited Financial Statements and Consolidated Cash Flow Statement for the year ended March 31, 2022, are provided in the Annual Report.

A statement containing the salient features of the Financial Statements of each of the Subsidiary, Associate and Joint Venture in the prescribed Form AOC-1 is annexed as **Annexure A**.

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

## Transfer to Reserves

No amount has been transferred from Profit and Loss Account to Reserves. No amount has been transferred from Share Outstanding Option Account to General Reserve. ₹ 1,741.50 Lakhs has been transferred from Debenture Redemption Reserve to General Reserve.

## Dividend

With a view to conserve resources for future operations and growth, the Board has not recommended any dividend for Financial Year 2021-22.

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

## Unclaimed Dividend

Details of Unclaimed Dividend as on March 31, 2022 is as under:

Particulars	Amount (₹)
Dividend Account 2016-17	1,62,296.05
Interim Dividend Account 2017-18	1,57,321.80
Final Dividend Account 2018-19	1,06,363.80

## Business Overview & Future Outlook

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

## Sale of Business

Centrum Financial Services Limited ("CFSL") and Centrum Microcredit Limited ("CML"), wholly owned subsidiaries of the Company, have effected transfer of their respective businesses to Unity Small Finance Bank Limited, a step-down subsidiary of the Company, on November 01, 2021.

## Share Capital

During the Financial Year under review, there has been no change in the authorized as well as paid-up Share Capital of the Company.

## Debentures

During the Financial Year under review, the Company issued 29,894 Market Linked Debentures amounting to ₹30,445.66 Lakhs (including premium) and redeemed 8,743 Listed Market Linked Debentures amounting to ₹8,743.00 Lakhs.

## Credit Rating

Centrum Capital Limited's NCD issue of ₹200 crores has been assigned a rating of BWR PPMLD BBB (Pronounced BWR Principal Protected Market Linked Debentures Triple B) (Outlook: Stable).

## Debenture Trustees

Debenture Trustee Agreements were executed between Centrum Capital Limited and Beacon Trusteeship Limited and Vistra ITCL (India) Limited for NCDs issued by the Company on private placement basis.

## Management Discussion and Analysis

The Management Discussion and Analysis forms an integral part of this Report and gives details on the overall industry structure, economic developments, performance and state of affairs of the Company's various businesses, internal controls and their adequacy, risk management systems and other material developments during the Financial Year 2021-22. The Management Discussion and Analysis Report is annexed as **Annexure B**.

## Business Responsibility Report

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance and a Business Responsibility Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on environmental, social and governance fronts, forms part of this Annual Report. Business Responsibility Report is annexed as **Annexure C**.

## Material Changes and Commitments

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

## Corporate Governance Report

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

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

## Listing Fees

The Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited and the Company has paid listing fees up to the Financial Year 2022-23.

## Number of Meetings of the Board and its Committees

The details of the Meetings of the Board of Directors and its Committees, convened during the Financial Year 2021-22 are given in the Corporate Governance Report, which forms part of this Report.

## Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required by the Board as a whole and its individual members with the objective of having a Board with a diverse background and rich experience in business. Characteristics expected from all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberation and willingness to exercise authority in a collective manner. The Policy regarding the same is available on the website of the Company [www.centrum.co.in](http://www.centrum.co.in).

## Nomination and Remuneration Policy

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

## Familiarisation Programme for Independent Directors

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

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

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

## Board Evaluation

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

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

## Declaration by Independent Directors

The Company has received declarations from all Independent Directors confirming that, they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder as well as Regulation 16(1) (b) of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

## Independent Directors' Meeting

A meeting of Independent Directors was held on March 30, 2022, as per Schedule IV of the Act.

## Directors and Key Managerial Personnel Induction

As per the provisions of the Act and Articles of Association of the Company, Mrs. Mahakhurshid Byramjee (DIN: 00164191) Non-Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, seeks re-appointment. The Board recommends her re-appointment.

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

## Key Managerial Personnel

Mr. Jaspal Singh Bindra is the Executive Chairman of the Company. Mr. Sriram Venkatasubramanian is the Chief Financial Officer.

With deep sadness and profound grief, the Company informs about the sad and untimely demise of Mr. Alpesh Shah, Company Secretary and Compliance Officer of the Company, on October 12, 2021. Mr. Balakrishna Kumar was appointed as Company Secretary of the Company w.e.f. April 8, 2022 till May 9, 2022. Mr. Parthasarathy Iyengar joined as the Company Secretary and Compliance Officer of the Company w.e.f. May 10, 2022.

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

The Executive Chairman of the Company has not received any commission from its holding or subsidiary companies.

## Directors' Responsibility Statement

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

- (a) in the preparation of the annual accounts for the Financial Year ended March 31, 2022, the applicable IND AS and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit and loss of the Company for the Financial Year ended March 31, 2022;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a 'going concern' basis;
- (e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively; and
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

## Audit Committee

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

The Committee met 4 (Four) times during the period under review. The details are given in the Corporate Governance Report that forms part of this Report.

As on March 31, 2022, the composition of the Audit Committee was as follows:

Sr. No	Name	Category	Designation in Committee
1	Mr. Subhash Kutte	Independent Director	Chairman



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

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

### Contracts/Arrangement with Related Party

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

All Related Party Transactions that are entered into by the Company are placed before the Audit Committee for review and approval, before approval by Board, as per requirements of Section 188 of the Act. Particulars of the material contracts or arrangement or transactions entered not at arm's length basis and material contracts or arrangement or transactions entered at arm's length basis are disclosed in the Form AOC-2 provided in **Annexure F** to this Report.

### Internal Financial Control and Adequacy

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

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

### Risk Management Policy

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

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

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

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

#### Conservation of Energy

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

#### Technology Absorption and R & D Efforts

The Company has always been using the latest technology available in the industry. Accordingly, efforts are made to maintain and develop the quality of products / services to meet the expectations of the market.

#### Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo during the Financial Year under review was ₹ 126.45 Lakhs and ₹ 37.11 Lakhs respectively as compared to ₹112.91 lakh and ₹ 98.15 Lakhs respectively.

#### Subsidiaries, Joint Ventures and Associates

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

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

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

The Company does not have any Joint Ventures.

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

#### i) Infusion of Additional Capital in subsidiary/stepdown subsidiary/associates/joint venture:

1. The company has invested in Equity Shares of below mentioned companies:

Name of Companies	Amount in ₹ Lakhs
Centrum Financial Services Limited	29,782.66
Centrum International Services PTE Ltd	277.20
Centrum Retail Services Limited	6,180.50
Ignis Capital Advisors Limited	0.01

2. The Company has withdrawn capital from its subsidiary Centrum Alternatives LLP to the tune of ₹ 35 Lakhs.
3. The Company has invested ₹ 3,300 Lakhs in Compulsory Convertible Debentures of Centrum Microcredit Limited.
4. The Company has invested ₹ 1,509.14 Lakhs in Compulsory Convertible Debentures of Centrum Financial Services Limited.

The Company has Sixteen (16) Subsidiaries (including stepdown subsidiaries) and one (1) Associate Company as on March 31, 2022.

Further, a Report on the financial performance of each subsidiary, Associate and Joint Venture and salient features of the Financial Statements are provided in the prescribed form AOC-1, annexed to this Report.

### Material Subsidiaries

During the Financial Year under review, the Company had the following Material Subsidiaries as per the thresholds laid down under the SEBI Listing Regulations:

Pursuant to Regulation 16(1)(c) of the SEBI (LODR) Regulations, 2015, following were considered as Material Subsidiaries:

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

Pursuant to Regulation 24 of the SEBI (LODR) Regulations, 2015, following were considered as Material Subsidiaries:

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

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

### Auditors and Auditors Report Statutory Auditors

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

The observations made by the Statutory Auditors on the Financial Statements of the Company, in their Report for the Financial Year ended March 31, 2022, read with the Explanatory Notes therein, are self-explanatory and, therefore, do not call for any further explanation or comments from the Board under Section 134(3)(f) of the Act. There are no qualifications, reservations or adverse remarks made by M/s. Sharp & Tannan, Statutory Auditors, in their report for the Financial Year ended March 31, 2022.

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

### Secretarial Auditors

The Board has appointed Mr. Umesh P Maskeri, Company Secretary in Practice, as Secretarial Auditor, to conduct the Secretarial Audit, for the Financial Year ended March 31, 2022. 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 G** to this Report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report.

### Utilization of proceeds of Preferential Allotment

The details of utilization of proceeds raised through preferential issue of NCDs are disclosed to the Audit Committee. The Company has not utilized these funds for purposes other than those stated in the Offer Letter.

### Particulars of Employees and Remuneration

The information under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure H** to this Report.

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

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

### Particulars of Loans, Guarantees and Investments

Details of loans, guarantees and investments under the provisions of Section 134(3)(g) and 186(4) of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2022, are set out in Note 44 of the Standalone Financial Statements forming part of this Report.

### Disclosure as per Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013

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

There were no complaints during the Financial Year.

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

Statement Pursuant to Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Section 62(1)(b) of the Companies Act,

2013, read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is available on the Company's website [www.centrum.co.in](http://www.centrum.co.in)

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

### Corporate Social Responsibility (CSR)

The Annual Report on CSR activities as required under Section 134(3)(o) of the Act, read with Rule 8 of the Companies (CSR Policy) Rules, 2014, is set out in **Annexure I** to this Report.

### Extract of Annual Return

The Annual Return of the Company as on March 31, 2022, in Form MGT-7 in accordance with Section 92(3) of the Companies Act, 2013 ("the Act") read with the Companies (Management and Administration) Rules, 2014, shall be available on the website of the Company at [www.centrum.co.in](http://www.centrum.co.in)

### Public Deposits

During the year under review, the Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, (including any statutory modification(s) or re-enactment(s) for the time being in force).

### Significant/material orders passed by the Regulators

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

### Disclosure on compliance with Secretarial Standards

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

### Whistle Blower Policy

The Company has a Whistle Blower Policy to report genuine concerns or grievances and to provide adequate safeguards against victimization of persons who may use the mechanism. The Whistle Blower Policy has been posted on Company's website i.e. [www.centrum.co.in](http://www.centrum.co.in)

## Reporting of Frauds

During the Financial Year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported any instances of fraud against the Company by its officers or employees as laid down under Section 143(12) of Companies Act, 2013 and Rules framed thereunder.

## Investor Relations

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

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

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

## General

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. There was no revision in financial statements.
3. Company has not issued any sweat equity shares.
4. The Company has not declared any dividend for the Financial Year 2014-15. Therefore, there was no unclaimed and unpaid dividend and hence disclosure pursuant to Section 124 of Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, was not required.
5. Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013, are not applicable for the business activities carried out by the Company.

## Human Resource and Employee Relationship

There is an ongoing emphasis on building a progressive Human Resources culture within the organization. Structured initiatives

that foster motivation, teamwork and result orientation continue to be undertaken.

Disclosures with respect to demat suspense account/ unclaimed suspense account

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

## Web link

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

- Nomination and Remuneration Policy
- Remuneration criteria for Non-Executive Directors
- Related Party Transaction Policy
- Familiarisation Programme for Independent Directors
- Policy on determining Material Subsidiaries

## Cautionary Statement

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

## Acknowledgement

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

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

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

**Jaspal Singh Bindra**

Executive Chairman

DIN: 00128320

Place: Mumbai

Date: May 30, 2022

Annexure A

# FORM AOC-1

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

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

(₹ in Lakhs)

Sl. No	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Name of the subsidiary Company	Centrum Retail Services Limited	Centrum Broking Limited	Centrum Wealth Limited	Centrum Investment Advisors Limited	Centrum Financial Services Limited	Centrum Housing Finance Limited	Centrum Insurance Brokers Limited	Centrum MicroCredit Limited	Centrum Alternative Investment Managers Limited	Centrum Capital Advisors Limited	Unity Small Finance Bank Limited	Ignis Capital Advisors Limited	*Centrum Capital International Limited	Centrum International Services Pte Limited	Centrum Alternatives LLP
Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	-	-	-	-	-	-	-	-	-	-	NA	NA	Foreign Subsidiaries	Foreign Subsidiaries	NA
Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	HKD	SGD	INR
Exchange Rate as on the last date of the relevant financial year in case of foreign subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	9.53314	55.64410	-
Paid up Equity Share Capital	3,554.65	1,929.07	2,000.00	211.30	9,895.69	26,686.84	1,040.00	7,052.83	51.00	100.00	70,490.20	1.00	634.49	1,179.65	-
Paid up Preference Share Capital	-	250.00	-	-	-	-	-	-	-	-	-	-	-	-	-
Partner's Capital Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	895.67
Partner's Current Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(819.47)
Reserves & surplus	26,515.19	1,580.69	(291.94)	421.17	19,863.10	14,975.97	(15.52)	719.68	(1,032.94)	(39.65)	1,05,315.59	0.44	(226.57)	(907.03)	-
Total Assets	78,577.06	12,734.08	6,994.51	804.18	40,014.10	69,596.49	1,035.40	11,179.10	177.53	73.16	10,74,863.22	90.14	454.38	413.62	98.57
Total Liabilities	78,577.06	12,734.08	6,994.51	804.18	40,014.10	69,596.49	1,035.40	11,179.10	177.53	73.16	10,74,863.22	90.14	454.38	413.62	98.57
Investments	9,531.51	-	361.83	-	36,140	2,894.89	-	-	-	-	2,80,061.35	-	159.90	-	-
Turnover	11,590.87	7,367.28	17,237.68	2,162.84	7,871.08	7,099.85	304.74	5,795.27	1,537.45	59.52	14,455.48	168.50	2.16	311.85	0.05
Other Income	115.18	480.33	219.23	7.25	58	122.42	114.82	737.98	1.19	9.67	19.55	1.00	-	-	-
Profit/ (Loss) before Taxation	(10,981.97)	(226.62)	5,259.62	47.48	320.23	1,823.33	10.08	165.20	65.38	(52.05)	(7,923.92)	(1.17)	(86.94)	(273.46)	(89.42)
Provision for taxation	-	(2.14)	1,049.65	22.42	407.33	369.83	3.86	197.56	-	3.32	(1,233.55)	0.21	-	-	-
Profit/ (Loss) after Taxation	(10,981.97)	(224.48)	4,209.97	25.06	(87.10)	1,453.50	6.22	(32.36)	65.38	(55.37)	(6,690.37)	(1.38)	(86.94)	(273.46)	(89.42)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of Shareholding (Note 1)	100%	51.01%	68.63%	51%	100%	56.39%	100%	100%	100%	100%	51%	100%	100%	86.56%	100%

\* Consolidated Financial Results

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

Note 1 %age of shareholding is of immediate Holding Company

**For and on Behalf of the Board of Directors**

**Jaspal Singh Bindra**  
Executive Chairman  
DIN: 00128320  
Place: Mumbai  
Date : May 30, 2022

## Annexure A

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

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

(₹ In Lakhs)

Name of Associates	Acorn Fund Consultants Private Limited
1. Latest audited Balance Sheet Date	31.03.2022
2. Shares of Associate/Joint Ventures held by the company on the year end	Associate
No of Shares	7,55,000
Amount of Investment in Associates/Joint Venture	1.51
*Extend of Holding %	50.00%
3. Description of how there is significant influence	Significant influence is by way of shareholding in the company
4. Reason why the associate/joint venture is not consolidated	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	(85.32)
6. Profit / (Loss) for the year	592.32
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	592.32

\*%age of Interest is of Centrum Retail Services Limited &amp; Centrum Wealth Limited, both are the subsidiaries of the Company.

**For and on Behalf of the Board of Directors****Jaspal Singh Bindra**

Executive Chairman

DIN: 00128320

Place: Mumbai

Date : May 30, 2022

## Annexure B

# Management Discussion and Analysis



## Economic Overview

### Global Economy

In 2021-22, the economic situation remained unstable, driven by persistent inflation, repeated waves of the pandemic and geopolitical tensions. Most emerging markets and developing economies (EMDEs) continued witnessing growth challenges, while sharp rebounds were observed in major economies. Global growth is expected to moderate from 5.9% in 2021 to 4.4% in 2022, indicating an uneven recovery. Almost all advanced economies are expected to regain pre-pandemic per capita income levels by early 2023, however only one-third of EMDEs are expected to do so. In the aftermath of the pandemic, the world's leading economies have re-adjusted their priorities to focus more on re-invigorating their local industries. But, soaring demand coupled with supply constraints and rising energy prices are impediments to progress.

### Indian Economy

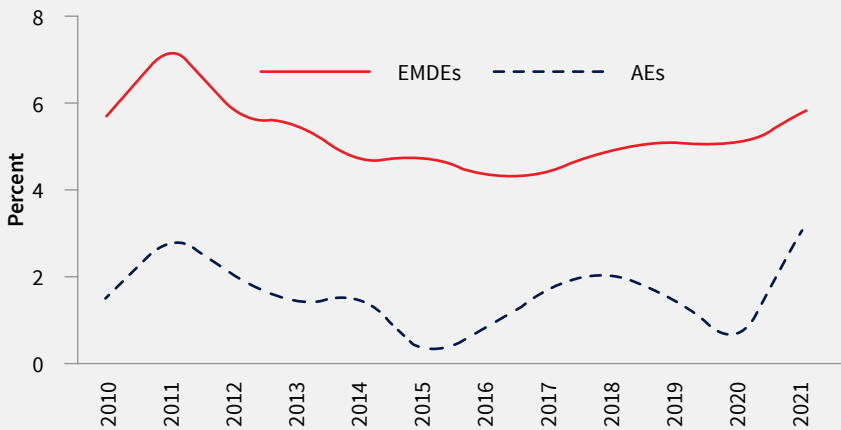
FY2022 has been challenging. Two lockdowns, extended work from home along with a high infection rate, had a very significant impact on lives, livelihoods and businesses. The second wave of Covid brought untold misery on many. Even though India is one of the fastest-growing global economies, it faces headwinds. While the economy grew at 8.7% in FY 2022, a contraction is expected in the current year (2022-23), as the impact of the Russia - Ukraine war weighs heavily on commodity prices and disruption of supply chains. Even before the war began, inflation in many countries had been rising due to supply-demand imbalances during the pandemic, prompting a tightening of monetary policy. The recent lockdowns in China, restrictions on Palm Oil exports by Indonesia and limited Gas supply from Russia, could cause new bottlenecks in global supply chains and have led to record inflation in India.

India's headline CPI inflation (retail inflation) averaged 5.4% during the period April - February, FY22, as compared to 6.2% in the corresponding period the previous year. Despite the worldwide disruptions, India's balance of payments has been in surplus for the past two years. The RBI was able to continue building foreign exchange reserves. In FY2023, the combination of large foreign exchange reserves, continued foreign direct investment (FDI) and expanding export profits, should provide leverage against anticipated global liquidity tapering.

Balance of payments has been in surplus for the past two years.

Capital markets have performed remarkably well.

**Consumer Price Inflation Rates**



Source: World Economic Outlook, January 2022 Update, IMF

Note: Figures are annual average; Figures for 2021 are projections. Advanced Economies include 40 economies and Emerging Markets and Developing Economies (EMDEs) include 156 economies as per IMF classification

**Fee Businesses**

**INVESTMENT BANKING**

**Industry Overview**

In FY2023, the growing trend of Initial Public Offerings (IPOs) hitting public markets is expected to continue. Over the next 2-3 years, new IPOs are expected to add about USD 400 billion to market capitalisation and estimates show that, by 2024, India's capital markets valuation could rise to over USD 5 trillion, making it the world's fifth largest market by market capitalisation.<sup>1</sup>

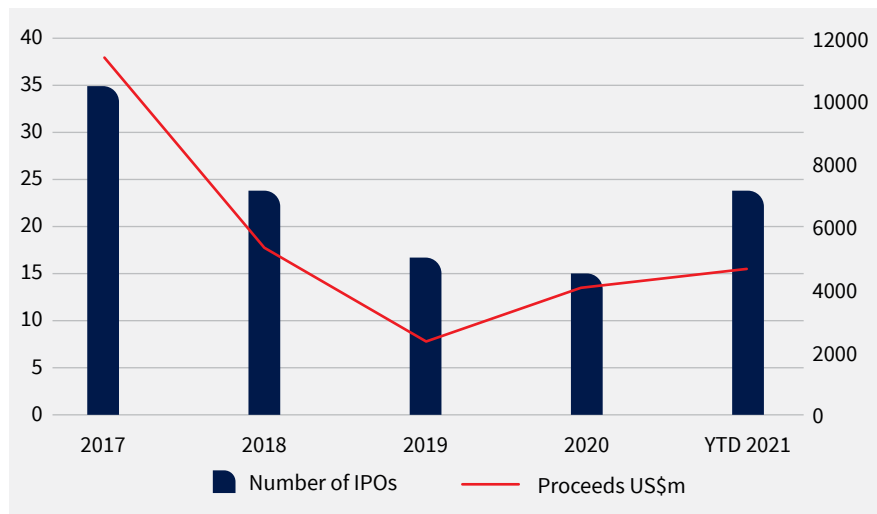
A number of reforms such as modifying the definition of a promoter to a person in charge, and the shortening of the lock-in period of shares offered in IPOs, are being discussed with SEBI, which will further simplify norms for going public. The number of private investors accessing capital markets in India has increased significantly. Retail investors have been able to invest in a variety of financial products, due largely to a smooth client on-boarding via online KYC, easy access to markets and the availability of learning material in convenient consumable formats.<sup>2</sup>

India's capital markets, like many other global markets, have performed remarkably well, allowing corporates to raise record capital. Even with the after-effects of the pandemic, the banking system is well capitalised, and NPAs are within reasonable limits. Going forward, the Government's emphasis on capital spending and exports are projected to boost capacity and aggregate demand, while attracting private investment.

Wealth Management Services to HNIs and Family Offices along with Affordable Housing Finance in tier 2 and 3 cities. The Alternative Investment Management business manages funds across private debt and venture capital. As on 31st March, 2022, the Group operates from over 325 branches & offices across 140+ cities.

**Company Overview**

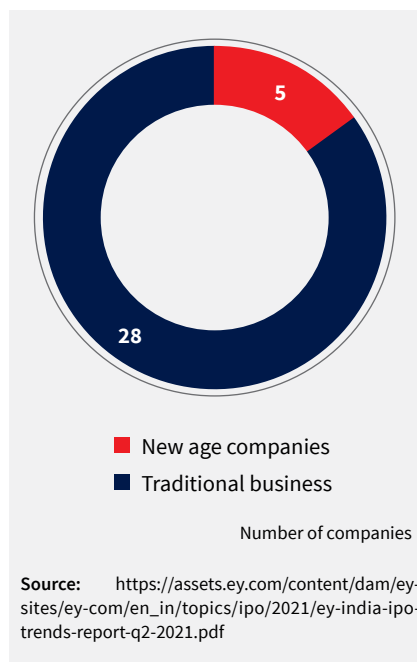
Founded in 1997, Centrum is a well-respected Financial Services Group, with diversified fee businesses, a lending platform and a Small Finance Bank. The Group caters to Institutions and Individual clients and has a PAN India presence. Institutional services include Investment Banking and an Institutional Broking desk catering to FIIs, Pension Funds, Indian Mutual Funds, Domestic Institutions and HNIs. Centrum provides comprehensive



<sup>1</sup> <https://www.moneycontrol.com/news/business/markets/india-to-be-the-5th-largest-market-globally-by-2024-goldman-sachs-7487381.html>

<sup>2</sup> [https://assets.ey.com/content/dam/ey-sites/ey-com/en\\_in/topics/ipo/2021/ey-india-ipo-trends-report-q2-2021.pdf](https://assets.ey.com/content/dam/ey-sites/ey-com/en_in/topics/ipo/2021/ey-india-ipo-trends-report-q2-2021.pdf)





## Business Overview

With a combined experience of over 150 years; Centrum's Investment Banking team caters to every funding phase of a corporate's lifecycle. Business expertise includes Equity Capital Markets, Corporate Finance & Debt Capital Markets with a dedicated team for major sectors. As a category I Merchant Banker, core services include IPOs, Qualified Institutions Placements (QIPs), Delisting, Rights Issuance, Open Offers, Buybacks etc. Additionally, the business offers private placement of equity, mezzanine debt, mergers and acquisitions and advisory on restructuring. It is also engaged in debt syndication for all types of loans, stressed asset solutions, securitisation, and capital market instruments. The Infrastructure Advisory Group is focused on Transaction Advisory and Corporate finance deals in the area of renewable and conventional energy, roads, railways, ports, urban infrastructure, airports, utilities, mobility, and logistics.

## Highlights FY2022

In spite of a challenging macro environment and difficulty in arranging face to face meetings, the business worked with corporates, assisting them in their capital raise requirements as well as financial management and business advisory.

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

### Book Running Lead Manager (Left Lead)

- Proposed IPO of Suraj Estate Developers Limited
- Proposed IPO of a Surat based utilities entity

### Book Running Lead Manager

- Proposed IPO of Popular Vehicles and Services Limited

### Advisor & Lead Manager

- Open offer transaction pursuant to Infinity Holdings acquiring equity shares in Jagsonpal Pharmaceuticals Limited
- Proposed demerger of Dhampur Sugar Mills Ltd

### Lead Manager

- Proposed ongoing rights issue of Dhanlaxmi Bank Ltd.
- Proposed ongoing rights issue of a company in the industrial mineral space

### Advisory

- Sole Buy-Side Advisor to a Small Finance Bank
- Sole Advisor to LTS Investment Fund (FII) for the sale of their stake in a listed entity
- Sole Advisor to Convergent Finance for their investment in Onward Technologies Limited

- Sole Advisor to a leading player in the packaged foods space on their fund raise plan and capital structuring
- Sole Advisor to a player in the automotive components space in their fund raise plans
- Sole Advisor to a leading player in the cybersecurity space in their fund raise plans
- Sole Advisor to a secondary stake sale of shares of SBI General Insurance
- Sole Advisor to a Leading digital payments company for their stake sale

The Infrastructure Advisory team worked closely with various Clean Tech and Renewables players. It raised Private Equity Investment for Premier Energies (₹ 200 crs) and Growth Capital for Jupiter International Limited (₹ 170 crs)

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

- Distribution Logistics Infrastructure Private Limited (Restructuring - ₹ 750 crs)
- SPVs of Shapoorji Pallonji group (Refinancing - ₹ 220 crs)
- Tessitura Monti (Restructuring - ₹ 100 crs)
- Plasmagen Biosciences Private Limited (Project Loan - ₹ 75 crs)
- JWIL Infrastructure (Working Capital - ₹ 60 crs)
- Steel Exchange of India (Working Capital - ₹ 60 crs)

## Outlook

The business aspires to be a credible and sought after mid-market investment bank, offering customised solutions. It aims to focus more on the larger Mid Cap and Large

Cap sectors and develop internal synergies within the Group. With an improvement in economic environment and revival of investor interest, the team expects to serve a wider range of clients along with higher volumes of business. Each of the verticals has a strong deal pipeline in place and expects to close several transactions in FY2023.

## WEALTH

### Industry Overview

India has seen unprecedented growth in liquid wealth. It today accounts for US\$12.8 trillion or 3% of Global Wealth. India's Ultra High Networth Individuals (UHNWIs), with assets over \$30 million, is expected to grow 63 per cent over the next five years. At present, India is home to around 7,000 UHNW households and 113 billionaires. The Indian billionaires club is expected to increase by 43 per cent to 162 by 2025. By 2023, only 3 countries in the world – the United States, China and Russia will have more billionaires than India, so this segment will see unprecedented growth. Further, digitisation will ensure ease of access to information and financial products, which in turn will broaden the investor base and allow HNIs based in Tier II and Tier III locations to further access wealth management services as well.

### Business Overview

Centrum Wealth Limited (CWL) offers Distribution and Family Office services on a platform that spans the investible universe



and includes asset classes such as equity, fixed income, real estate and alternates.

The business has established itself as a challenger brand in terms of its capabilities by consistently providing quality wealth services. It remains extremely well placed in terms of domain strengths, skills and capabilities across asset classes – both traditional and alternate assets, public and private market offerings or conceptualising and structuring products in both domestic and overseas markets.

Centrum Wealth's mission is to establish and maintain a meaningful presence in the lives of customers on the strength of ideas, solutions and services for their wealth and finances. The business is driven by the core values of integrity, transparency, empathy, resourcefulness, perseverance and a deep sense of responsibility. The roughly 250-strong team operates from 16 locations, including Singapore, and handles client assets of about ₹ 35,000 crores.

### Highlights FY2022

A multi-pronged approach built around strengthening the 3 pillars of the wealth business – People, Proposition and Processes, was put into place during the year. The results of the focussed efforts are seen in improved operating performance. Efforts to build a sizeable trail-bearing/annuity book have yielded positive results. Simultaneously opportunities on the transactional revenues side have been successfully harnessed.

Various operating parameters like cost-income ratios, sales/non-sales employee mix and productivity benchmarks have been recalibrated. Existing team productivity has seen a robust step up with new joinees getting productive much faster. The strong revenue growth number has been a function of robust team productivity and the ability to source and place a range of offerings and solutions with existing and new customers. Further, the revenue mix has become extremely broad-based with meaningful contributions from mutual funds, third party products and insurance and also from in-house asset management

offerings. Assets growth, employee productivity benchmarks and revenue yields are well in line with medium-term strategic growth plans.

The benefits of the above and the positive impact of operating leverage have yielded a more than proportionate improvement in profitability parameters. The business believes that this can improve further and should help in enhancing business retention margins.

A comprehensive Digital and Technology road map was implemented to enhance the customer proposition and experience and achieve scalability in line with growth plans. The agenda is transformational and includes a digital app with rich features to drive superior customer engagement while retaining value within the organisation, automation to simultaneously enhance scalability and customisation, employing an 'open-architecture' model to bring in best in class tools and platforms, efficiently broaden the product range through digital partnerships, enable better customer-mining and better decision making using Business intelligence and analytics, backed by an industry-leading global CRM solutions provider.

In addition, the product suite was strengthened with higher levels of due diligence implemented while exploring opportunities in the third-party distribution space. An online service offering Global Investing opportunities to clients was launched in association with one of the leading Global Investing platforms.

### Outlook

The market share of professional wealth service providers catering to the HNIs/UHNWIs segment in Asia stood at <20% for FY21 as per industry estimates. For India on a stand-alone basis, this number may be far lower. Secondly, wealth and asset

management businesses offer an intrinsic 'market' linkage as the underlying assets move in line with markets. Thus given the factors mentioned, coupled with a largely optimistic market outlook, the growth prospects for the firm to capture a larger part of existing client wallet share and build market share within the overall Indian wealth industry look positive.

The business seeks to achieve its growth aspirations by expanding and making even more relevant the firm's product offering, enhancing the range of services and propositions, further investing in its technology and digital capabilities and maintaining the firm's culture and collegiate environment.

## STOCK BROKING

### Industry Overview

The stock broking industry is likely to clock a total revenue of ~₹ 27,000-28,000 crore in FY2022, registering a year-on-year (YoY) growth of 28-33 per cent. However, the revenue growth rate is expected to taper to 5-7 per cent in FY2023, with an expected industry total turnover of ₹ 28,500-29,000 crore. Growth remains contingent on capital market performance and maintenance of similar yields as seen in recent years. While broking entities have been attempting to diversify

their portfolio offerings, with an increasing focus on other services/businesses, the core broking business is expected to account for 70-75 per cent of the total revenues over the near to medium term. Market performance was supported by favourable liquidity in both domestic and international markets, better-than-expected corporate earnings, a pick-up in economic activity, rising internet penetration and healthy participation of retail investors. Going forward, markets may remain volatile amid various domestic and international cues.

### Institutional Equities

#### Business Overview

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



cap companies and offers detailed coverage on both established as well as under-researched, undervalued and under-owned scrips.

### Highlights FY2022

As the lockdown was prevalent during most of the financial year, the team maintained its outreach to corporates and investors in India and abroad through virtual channels. With markets hitting fresh highs and a spurt in capital market activities, the business saw a notable increase in its trading volumes and empanelments, resulting in a near 20% growth in business operations. It increased the number of stocks and sectors under its coverage to offer a balanced mix of scrips to clients. It strengthened its Research and Sales teams and increased investments to improve its backend technology. Its international outreach to clients in South East Asia, USA, UK and Europe also gained significant traction.

During the year, it hosted four virtual investor conferences. Orion – Big Ideas, Big Growth, the flagship conference showcased companies with strong fundamentals and sound growth potential. Additionally, sector focused conferences on Metals & Mining, FMCG and Hospitals & Diagnostics discussed challenges, opportunities and demand recovery post Covid, with participation from corporates, investors, trade bodies and suppliers.

### Outlook

With the effects of Covid receding, the business expects increased momentum in both its domestic and international outreach and empanelments. It plans on hiring additional senior research analysts to further increase its sectoral coverage and widen its product suite. Backed by the favourable responses

received for its earlier investor conferences, the business plans to further strengthen its investor and corporate relationships by hosting additional thematic conferences.

### Retail Broking

#### Business Overview

Centrum Broking's Retail division provides holistic solutions across equity broking, portfolio management and depository services to High Net worth (HNW) individuals and corporates. Products include Equities, Derivatives, Currencies, Mutual Funds and Primary market offers. It offers Demat services being registered as a Depository Participant with Central Depository Services Limited (CDSL) and is a trading member with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Technical and Derivatives desk provides short-term as well as positional ideas, which are best suited for HNW individual traders.

### Highlights FY2022

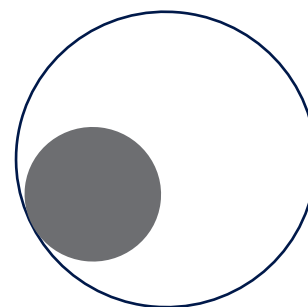
The business is primarily focused on servicing customers acquired through the Group's Wealth business franchise - Centrum Wealth Limited (CWL). In addition, the company offers a franchisee model to individuals across the country with good experience and a track record of running a successful business in financial services. During the year, in spite of the pandemic, existing customers were serviced seamlessly and in an efficient, contactless manner. However, acquisition of new accounts saw a slowdown due to challenges faced by HNIs in adapting to online and paperless account opening via 'E-KYC'. The business in FY2022 saw

HNI acquisitions improve to pre-covid levels as the economic activity picked up after the second wave. The regulatory implementation of peak margins in the equities and derivatives markets resulted in slow growth in turnover and brokerage revenue.

The Company's revamped web trading application - Centrum Aero witnessed good traction amongst its customers. The advanced charting tool built with CHART IQ, an international charting application, offering more than 100 indicators, multiple chart types, analytics for intraday and positional views was appreciated by trading customers. Centrum Wave, our customer-friendly mobile trading application also was rated highly by traders/investors and more than one-third of broking customers of the company initiated trading on the mobile app during the year.

### Outlook

The business is launching a full-fledged digital three-in-one offering for retail customers in partnership with Unity Small Finance Bank, the Group's banking venture. The technology initiatives of paperless customer onboarding with Digi-locker integration will enable the company to on-board customers within minutes. The business expects robust growth in its core offering to the HNW customers acquired by the Group's Wealth franchise, which has grown to be a leader in the private banking arena.



## ALTERNATIVE INVESTMENT MANAGEMENT

### Industry Overview

Alternative investment Funds' (AIF) total assets increased to ₹6.41 trillion in Q4 FY22, up from ₹6.09 trillion in Q3 FY22. Among all the categories of AIFs, Category II AIFs are generating maximum interest from investors. As per the cumulative net figures as on December 31 2021, released by SEBI, total assets of Category II stood at ₹5.19 trillion, accounting for 81% of the total assets of ₹6.09 trillion. Category II AIFs investment has witnessed a YoY increase of 29.75% in Q3 FY22 from that of Q3FY21, which stood at ₹1.40 trillion.<sup>3</sup>

### Cumulative net figures as at the end of December 31, 2021

(All figures in ₹ Crores)

Category of AIF	Commitments Raised	Funds Raised	Investments Made
<b>Category I</b>			
Infrastructure Fund	11,852.40	7,911.52	6,821.32
Social Venture Fund	2,896.52	2,100.54	578.17
Venture Capital Fund	37,444.56	18,789.24	16,233.83
SME Fund	1,180.58	198.8	164.7
<b>Category I Total</b>	<b>53,374.06</b>	<b>29,000.10</b>	<b>23,798.02</b>
<b>Category II</b>	<b>5,19,189.47</b>	<b>2,23,457.30</b>	<b>1,99,451.62</b>
<b>Category III</b>	<b>68,795.58</b>	<b>61,406.01</b>	<b>60,809.00</b>
<b>Grand Total</b>	<b>6,41,359.11</b>	<b>3,13,863.41</b>	<b>2,84,058.64</b>

Note: The above report is compiled on the basis of quarterly/monthly information submitted to SEBI by registered Alternative Investment Funds

Source- SEBI (<https://www.sebi.gov.in/statistics/1392982252002.html>)

### Business Overview

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

### Highlights FY2022

During the year, the Private Credit Fund made four new investments across pharmaceuticals, warehousing, power transmission and agrochemicals sectors, while successfully exiting one of its earlier

investments. Since inception, the private credit business has made 12 investments, aggregating to total invested capital of ₹ 1,460 crores. The portfolio continues to perform well.

Kalpavriksh, the business' venture capital fund continued to perform well as three out of its six portfolio companies managed to raise fresh capital at higher valuations than the fund's original investment. Additionally, the business filed an application with SEBI for a new Category II Fund for venture debt under the name of "Ignis". It expects to receive registration in the current financial year.

### Outlook

Given the sustained economic growth and opening up of the private sector capex cycle, the business is expected to perform well. It also plans to achieve the first close of its new venture debt fund, Ignis, during FY2023 and will look to introduce new AIFs in select areas with significant untapped potential.

## Lending Business

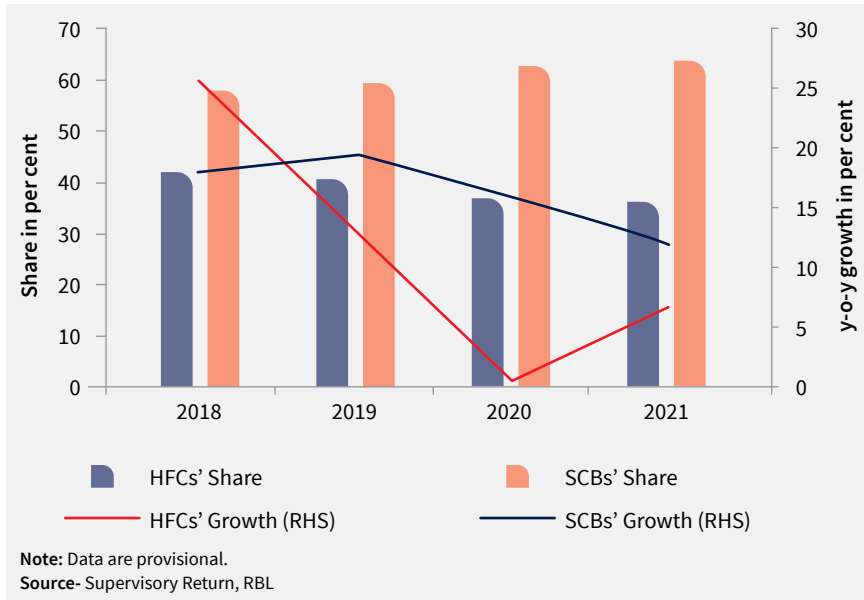
### AFFORDABLE HOUSING FINANCE

#### Industry Overview

According to a press release by a rating agency, the affordable housing finance companies are tipped to grow by 17-20% by FY2023. After experiencing a slowing in loan book growth in Q1 FY2022, AHFC growth resumed in Q2 and Q3 FY2022, with AHFC disbursements hitting 85-90 per cent of peak levels reached in Q4 FY2021. As a result, as of December 31, 2021, the AHFCs recorded a 14 per cent (year on year) rise. While growth has slowed relative to the long-term norm, it remains more significant than the overall home finance industry average. For FY2023, the return on assets (RoA) for these AFCs is estimated to be between 2.5 percent to 2.7 percent provided it meets assumptions like stable net interest margins, higher operating efficiency and moderation in credit costs. Over the long term, it is imperative to improve the operating efficiencies and control the credit costs to enhance the return indicators.

<sup>3</sup> SEBI

Credit to housing sector by HFCs and SCBs



**Business Overview**

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

**Highlights FY2022**

The 1st quarter of FY2022 was off to a slow start, due to the second wave of the pandemic. Most of the branches remained closed, operating with minimal staff and client outreach. Once the situation eased, the business ramped up its efforts, both in fresh disbursements and collections and recovered strongly. As of 31st March, 2022,

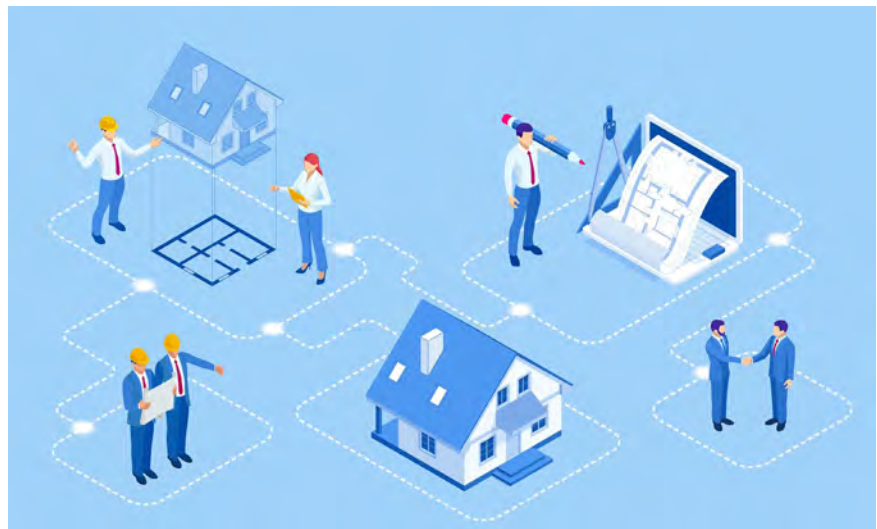
the AUM stands at ₹ 584 crore, up 21% YoY. They ended the year on a positive note, as the business demonstrated relative outperformance across all parameters while keeping delinquencies under check. Additionally, it diversified its resource base and secured lines of credit from the

National Housing Bank and other public & private sector banks, reducing its cost of funds significantly.

During the year, the business expanded its geographic reach and opened its first branch in Uttar Pradesh. It now operates from seven states in India. It also signed an MoU with PSU Bank major – Bank of Baroda for sourcing and financing loans under the Co-Lending Model (CLM) mechanism. Fresh investments were made in strengthening the backend technology and hiring fresh talent across levels.

**Outlook**

With an improvement in the macroeconomic environment and the Government's increased focus on promoting affordable housing and impact of Covid diminishing, the business expects an uptick in its operations. These factors along with a competitive cost of capital and geographic expansion, make the business well poised to grow organically. It plans to expand with a presence in 10 states in FY2023 from the present seven states.



## BANKING

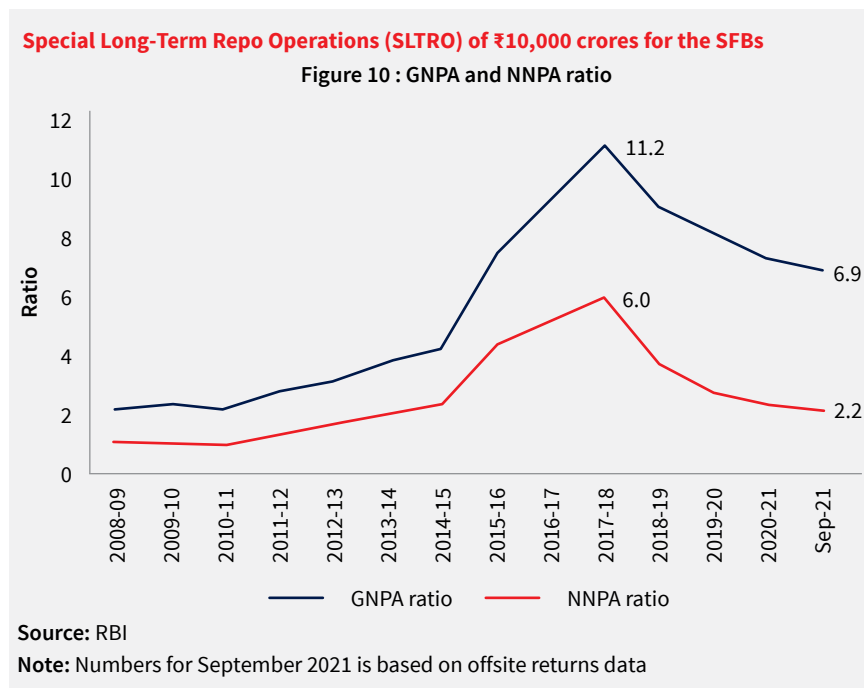
### Industry Overview

In FY2022 the banking industry was compelled to take note of the tectonic shifts that re-configured the global financial system and rethink their technological strategy - increase digital/branchless banking, redefine client interactions and rediscover the meaning of financial inclusion. The greatest defining factor for banks' performance has been their potential to capitalise on technological investments to create long-term value.

Small Finance Banks (SFBs) play a prominent role in supporting last-mile credit to individuals and small businesses. To provide targeted liquidity support to small business units, micro and small industries, and other unorganised sector entities that were adversely affected during the pandemic, the RBI conducted Special Long-Term Repo Operations (SLTRO) of ₹10,000 crores at the repo rate for SFBs and Credit Lending by SFBs to MFIs for onward lending.

Apart from the premise that asset quality concerns have subsided since the pandemic, reduced credit costs driven by improved asset quality are likely to lead to increased profitability. Furthermore, capital is likely to stay above pre-pandemic levels, allowing banks to be more resilient and enhance their credit risk appetite.

The assets under management (AUM) of SFBs were predicted to increase at a marginally faster rate of around 20% in FY2022, compared to a growth rate of 18% in FY2021. SFBs have been able to preserve a favourable asset-liability maturity profile because of a combination of shorter-term assets, a large share of non-callable deposits, and long-term funding support from financial institutions.<sup>4</sup>



### Business Overview

Unity Small Finance Bank (Unity) is promoted by Centrum Financial Services Limited with Resilient Innovations Private Limited as a joint investor. It strives to be a Digital First Bank with a business model of collaboration and open architecture, uniting all its stakeholders to deliver a seamless digital banking experience. The Bank commenced operations in November 2021. Through a gazette notification, the Ministry of Finance in January 2022, sanctioned the scheme of amalgamation of the beleaguered Punjab & Maharashtra Co-operative Bank (PMC Bank) with Unity, bringing relief to its depositors and stakeholders.

### Highlights FY2022

FY 2022 was a year of two distinct halves. During the 1st half, Centrum's MSME (Centrum Finance Services Limited) and Microfinance (Centrum MicroCredit Limited) businesses faced headwinds due

The government expanded the Emergency Credit Line Guarantee Scheme (ECLGS) ceiling to ₹5 trillion and extended its availability until March 2023 or until the maximum limit is exhausted, whichever comes first. These developments will likely increase demand for bank credit.

In the Union Budget 2022, more credit lines for small firms, the launch of the central bank's digital currency, a push for digital banking, and reforms to reinforce the bankruptcy legislation were among the primary emphasis areas for the banking industry.

<sup>4</sup> <https://economictimes.indiatimes.com/markets/stocks/news/sfbs-aum-growth-to-improve-fy22-but-profitability-seen-under-pressure-icra/articleshow/88668607.cms?from=mdr>



to the pandemic as business activity slowed down, borrowers opted for moratoriums and liquidity was scarce. However, both businesses showed resilience and worked towards maintaining asset quality, while limiting fresh disbursements. The loan book was rebalanced to sharpen focus on retail assets and reduce exposure to large corporate / real estate loans. The teams also spent considerable time working for the requisite approvals for the banking license.

In the 2nd half of the year, the RBI granted a Small Finance Bank license to Centrum Financial Services Limited. The teams worked very hard to operationalise the bank in record time and paved the path for the amalgamation of PMC Bank and welcomed its 1,100 + employees, approx. one million depositors and stakeholders to the Unity family. Key highlights achieved since operationalisation in November 2021:-

- Merged the businesses of Centrum Financial Services Limited and Centrum MicroCredit with Unity Bank for greater synergies and access to the Bank's deposit base for further growth.

- Integration of erstwhile PMC Bank team members with Unity's culture and practices. Townhalls were held across India to address queries along with harmonisation of grades and salary structures.
- The Bank's topmost priority was to bring relief to the aggrieved depositors of PMC Bank, who had no access to their funds for over two years. The team worked in close coordination with the Deposit Insurance and Credit Guarantee Corporation (DICGC), while simultaneously completing the depositor KYC formalities. On 31st March, 2022 the DICGC, extended liquidity of approx. ₹ 3800 crores to Unity and within minutes, the same was transferred to the 8.5 lakh eligible depositor accounts.
- The business strategy was prepared and approved by the Board. To begin with, the bank will be primarily focussing on offering Business Banking, Inclusive Banking and basic Branch Banking products to existing

customers. It is proposed to introduce Digital Banking / Retail Product Suite in FY 2023.

- An impactful brand identity and logo was created with ongoing promotions and client communication across the Bank's social media channels.
- The Board of Directors were appointed, with Independent Directors, bringing credibility and strong corporate governance. The Board is led by Mr. Vinod Rai, IAS officer and former Comptroller and Auditor General of India.
- Executive and middle management teams have been hired. Erstwhile PMC Branches have been re-branded as Unity Bank.
- Made significant investments in technology and entered into partnerships with credible organisations to build the backend architecture for a secure and customer-centric Banking experience.

### Outlook

On the liabilities side, the retail / digital suite of services will be introduced during the year with attractive interest rates. This is expected to drive growth in the deposit base. The Bank will also roll out a marketing campaign to build brand equity, awareness of its services and expand geographic reach. On the assets side, the businesses will continue growing organically, while looking to introduce new products such as Gold and Personal Loans.

The Bank will continue to make investments to strengthen technology and hire the right talent to deliver a seamless digital banking experience. The Bank is committed to building new-age banking products, catering to a diverse set of customers and businesses.



## HUMAN RESOURCES

### Highlights FY2022

FY2022 was a challenging year. While the Company spent time adapting to work from home, new variants of the pandemic caused disruptions. Employee wellness continued to be a top priority. There was constant engagement with employees through several interactive healthcare webinars on subjects such as mental health awareness and cancer care. A vaccination drive was organised for both doses for members and their families. For the benefit of the team, the company also procured Oxygen Concentrators during the 2nd wave of the pandemic, when Oxygen was in short supply. Group Term Life insurance and Mediclaim policies were renewed for all members to cover additional illnesses with a higher sum assured. As employees went through a difficult time physically and mentally, the company introduced benefits like additional 2 weeks of Covid leave and sabbaticals to support recovery.

As the situation improved post the 2nd wave and business started to gather momentum, the company stepped up hiring across

levels to support business needs. Several back-end processes such as on-boarding, background verifications and inductions were digitised to bring in standardisation. Steps were taken to ensure, relevant company codes and policies were reinforced and made accessible to employees.

Unity Small Finance Bank - The HR team played a key role in the formation of organization structure, hiring and on boarding of leadership talent, and seamless integration of Centrum's MSME & Micro Finance business to merge with the Bank. Moreover, the team was pivotal in ensuring that the integration of PMC Bank's staff with Unity is addressed smoothly.

The Wealth business was recognised as a "Great Place to Work", by the prestigious and well-acclaimed Great Place to Work® Institute with a high rating across all parameters.

As on 31st March 2022, the total number of employees across Group companies stood at 2,915

## OPPORTUNITIES AND THREATS

### Opportunities

A huge part of India's population lives in rural areas, which has witnessed constant growth in earnings, literacy and is a favourable market for financial services. The rural credit segment is big, and there lies a good opportunity to target it by offering differentiated products such as crops, cattle and other agriculture related – asset backed loans. Self Help Groups (SHGs), NGOs and Micro Finance Institutions (MFIs) are the different existing freestanding networks of rural India. The use of these channels in combination with traditional means can help rural India have access to a broader range of financial services.

Indian equity markets are growing in terms of new listings and higher market capitalisation. Specialised products such as derivatives trading, too are gaining traction. With increased retail penetration and digitization, there is a huge potential for Broking companies to up-sell and cross-sell services.

The BFSI sector as a whole is estimated to grow at 8.5% annually, with significant opportunities in banking, insurance and wealth management, driven by technological advancements. India's individual wealth management sector is still at a nascent stage, and BFSI companies are aware of the sector's potential. With the financial wealth of Indians estimated to grow at 11% per annum, the demand for wealth management services will also increase. Technological advancements will be crucial in integrating wealth management with equity and mutual fund investments, credit management and facilitating finance. The overall sector is heading towards a greater level of integration, based on the trends witnessed in the past few months. The overall increased penetration rate of these services in Tier III cities and rural parts of the country provides a plethora of opportunities for BFSI companies.



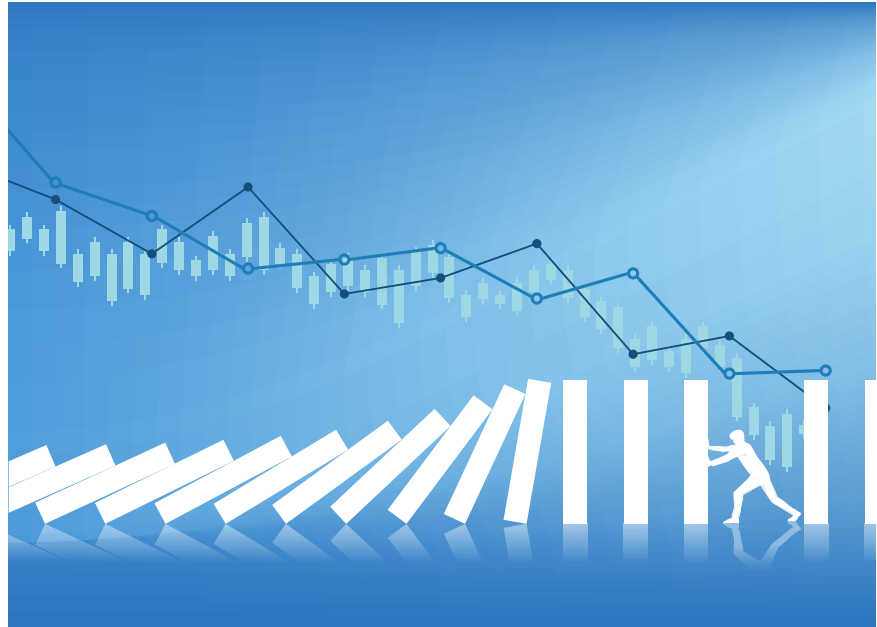
## Threats

With rising inflation caused due to the Russia-Ukraine war, the Indian financial sector might face challenges. The rise in oil prices will impact purchasing power and affect the investment cycle. This might have an effect on credit quality across the supply chain. In the financial services business, there is intense competition, resulting in margin pressures and revenue growth. On the liability side, decline in credit quality of loan portfolios would have a substantial impact on banks and HFCs liquidity.

Additionally, operational and cybersecurity related issues can affect growth. The number of online frauds and phishing attacks has increased. Despite the surge in BFSI online services, around 74% of Indian users prefer dealing with an employee or intermediary, rather than through digital means. Resistance to switching to online channels limits geographic reach and consequently impacts growth.

## RISK MANAGEMENT

For Centrum, an effective risk management policy lies at the core of our business philosophy, which is centred on delivering higher and better returns to our stakeholders. With ups and downs, volatility and fluctuations in the financial business in which the Company operates, Centrum is exposed to various risks and uncertainties in the normal course of business. Since such variations can cause deviations in the results from operations and affect the Group's financial performance, the focus on risk management continues to be high. Centrum's risk management strategy has product neutrality, speed of trade execution, reliability of access and delivery of service at its core. Multiple products and diverse resource streams enable the



Company to ensure continued offering of customised solutions to suit client needs at all times – good and bad.

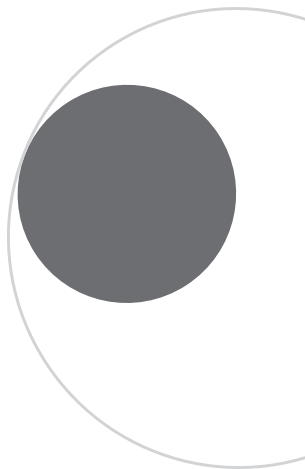
State-of-the-art technology, experienced professionals, and a highly qualified IT team for in-house software development, coupled with adequate backup systems and compliance with regulatory norms insulate Centrum from the vagaries of the financial business.

## INTERNAL CONTROL AND ADEQUACY

Centrum has always focused on maintaining a strong internal control system, which is commensurate with the Group's size and nature of operations. The Company's internal controls are structured to ensure reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use or losses,

executing transactions with proper authorisation and ensuring compliance of corporate policies, laws, and accounting standards.

With a strong monitoring system in place, the Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. Internally the Company has also set up an Investment Committee comprising of Compliance Officer, Chief Operating Officer apart from the core team, which manages the investment products to effectively monitor both the process and returns to



clients. Centrum has also appointed an independent Internal Audit Firm. The Audit Committee regularly reviews the Internal Audit Reports as well as the findings and recommendations of the Internal Auditors. Suggestions for improvement are considered and the Audit Committee

follows up on the implementation of corrective actions. The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of Directors posted with its observations.

## FINANCIAL OVERVIEW & KEY RATIOS

Sr. No.	Particulars	FY 2022	FY 2021	YoY Change
1	Debtors Turnover (times)	8.78	5.06	3.72
2	Interest coverage ratio (times)	0.38	0.83	(0.45)
3	Current Ratio (times)	0.28	1.17	(0.89)
4	Debt Equity Ratio (times)	1.08	0.62	0.46
5	Operation Profit Margin Ratio (%)	54%	66%	12%
6	Net Profit Margin Ratio (%)	(80%)	(25%)	(55%)
7	Return on Net Worth (%)	(6.68%)	(1.68%)	(5%)

### Cautionary Statement

This document contains statements about expected future events, financial and operating results of the businesses, which are forward-looking. By their nature, forward-looking statements require the businesses to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Centrum Capital Limited's Annual Report, FY2022.

## Annexure C

# BUSINESS RESPONSIBILITY REPORT

In terms of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, this Business Responsibility Report of the Company for the Financial Year 2021-2022, forms part of the Annual Report.

The Business Responsibility Report of the Company is in line with the principles of National Voluntary Guidelines (NVGs) on Social, Environmental & Economic Responsibilities of Business released by Ministry of Corporate Affairs.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN)** : L65990MH1977PLC019986
2. **Name of the Company** : Centrum Capital Limited
3. **Registered Address** : Bombay Mutual Building, 2nd Floor, Dr. D. N. Road, Fort, Mumbai 400001
4. **Website** : [www.centrum.co.in](http://www.centrum.co.in)
5. **Email id** : [cs@centrum.co.in](mailto:cs@centrum.co.in)
6. **Financial Year reported** : April 01, 2021 – March 31, 2022

### 7. Sector(s) that the Company is engaged in (industrial activity code-wise):

National Industrial Classification Code: 6499 – Other Financial Service Activity (Investment Banking and Advisory Services).

### 8. Three key products/services that the Company manufactures/provides (as in balance sheet):

The Company is a SEBI Registered Category I Merchant Banker. It is engaged primarily in providing Investment & Advisory Services, including but not limited to as acting as Lead Managers of Public Issues, Private Placements, Loan Syndication, Corporate Debt Restructuring, Mergers and Acquisitions, Corporate Advisory Services, Infrastructure Advisory Solutions and Private Equity (on standalone basis).

### 9. Total number of locations where business activity is undertaken by the Company:

#### i) Number of International Locations:

Company's international business operations are carried out by various direct and in-direct subsidiaries overseas, through their offices in three international locations namely Hong Kong, Singapore and Mauritius.

#### ii) Number of National Locations:

The Company has its registered and corporate office in Mumbai in the state of Maharashtra. As on March 31, 2022, Indian operations of the Company are carried out through the office/branch of the Company located in Delhi.

### 10. Markets served by the Company:

The Company and its subsidiaries/ associates/ joint venture entities operate in Indian markets and International markets (as specified above).

**SECTION B: FINANCIAL DETAILS OF THE COMPANY (STANDALONE OPERATIONS/ STANDALONE BASIS)**

1. **Paid up Capital** : ₹ 4,160.33 lakhs
2. **Total Turnover** : ₹ 6,619.24 lakhs (including other income)
3. **Total Profit / (Loss) after taxes** : ₹ (3,359.14) lakhs

**4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after tax (%)**

On a standalone basis, the Company was not required to have CSR spend in the Financial Year 2021-2022 and accordingly, it has not spent any money towards CSR.

However, a subsidiary of the Company has spent ₹ 15.20 lakhs during the Financial Year 2021-2022.

**5. List of activities in which expenditure in Point No 4 above has been incurred.**

The above expenditure was predominately incurred/spent on livelihood of underprivileged section in accordance with Schedule VII of the Companies Act, 2013 and as approved by the Board of the subsidiary entity.

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity /entities (Less than 30 %, 30-60%, More than 60%)**

Other business partners of the Company do not directly participate in the Company's BR initiatives. However, the Company persistently spreads awareness about the activities undertaken by Centrum Foundation and also encourages its business partners to participate in the BR initiatives and adopt fair practices to conduct business.

**SECTION C: OTHER DETAILS**

**1. Does the Company have any Subsidiary Company/ Companies?**

Yes. As at March 31, 2022, the Company has Sixteen (16) Subsidiaries (including stepdown subsidiaries and three (3) overseas direct and indirect subsidiaries) and one (1) Associate Company.

**2. Do the Subsidiary Company/Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).**

The Company and its Subsidiaries are engaged in financial services. BR policies / initiatives adopted by the Company are implemented across all subsidiaries. The subsidiaries also participate in the CSR initiatives of the Company through our philanthropic arm, i.e. Centrum Foundation.

**SECTION D: BR INFORMATION**

**1. Details of Director/Directors responsible for BR:**

a) **Details of the Director/Directors responsible for implementation of the BR policy/policies:**

All Corporate Policies including the Policies forming part of Business Responsibility Reporting are engrained in day-to-day business operations of the Company and are implemented by the Management of the Company at all levels. The responsibility for implementation of BR Policies of the Company is ultimately shouldered by Mr. Jaspal Singh Bindra (DIN- 00128320), Executive Chairman of the Company.

b) **Details of the BR head:**

Sr.	Particulars	Details
1	DIN Number	00128320
2	Name	Mr. Jaspal Singh Bindra
3	Designation	Executive Chairman
4	Telephone Number	022 4215 9000
5	Email Id	jaspal.bindra@centrum.co.in

## 2. Principle-wise (as per NVGs) BR Policy/policies

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

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3: Businesses should promote the well-being of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5: Businesses should respect and promote human rights.

P6: Business should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner. The principle wise responses are given below:

### A. Details of Compliance (Reply in Y/N)

S. N.	Questions	Business Ethics	Product Responsibility	Employee Wellbeing	Shareholder Engagement	Human Rights	Environment Protection	Public & Regulatory Policy	CSR	Customer relation
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a Policy/ policies for	Yes	No (Refer note 1)	Yes	Yes	Yes	No (Refer note 2)	No (Refer note 3)	Yes	Yes
2	Has the Policy been formulated in consultation with the relevant Stakeholders?	Yes	-	Yes	Yes	Yes	-	-	Yes	Yes
3	Does policy conform to any national/ international standards	All policies are formulated in accordance with the applicable regulatory/ statutory requirements and industry standards.								
4	Has the policy been approved by the board? If yes has it been signed by MD/ CEO/ appropriate Board Director?	Yes	-	Yes	Yes	Yes	-	-	Yes	Yes
5	Does the Company have a specified committee of the Board/Director/Official to oversee implementation of the policy?	Yes	-	Yes	Yes	Yes	-	-	Yes	Yes
6	Indicate the link for the policy to be viewed online	Most of the relevant policies are disseminated and uploaded for information of relevant stakeholders and employees, either on the Company's intranet site or on the corporate website of the Company <a href="http://www.centrum.co.in">www.centrum.co.in</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes #	-	Yes #	Yes #	Yes #	Yes #	-	-	Yes #

S. N.	Questions	Business Ethics	Product Responsibility	Employee Wellbeing	Shareholder Engagement	Human Rights	Environment Protection	Public & Regulatory Policy	CSR	Customer relation
		P1	P2	P3	P4	P5	P6	P7	P8	P9
8	Does the Company have in house structure to implement the policy?	All corporate policies including policies forming part of Business Responsibility Reporting are engrained in the day-to-day business operations of the Company and are implemented at all Management levels and monitored by the Executive Chairman from time to time.								
9	Does the Company have a grievance redressal mechanism related to the policy to address stakeholders grievances related to the policy?	Yes	-	Yes	Yes	Yes	Yes	-	-	Yes
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	All policies and processes are subject to internal review from time to time.								

# Except the CSR Policy of the Company, all other policies of the Company are internal documents and are not accessible to the public. These policies have been uploaded on intranet portal of the Company, which is accessible, inter-alia, to all the employees of the Company.

Note 1: The core business area of Centrum Group is to provide financial services. Considering the nature of business of the Company, Principle - 2 may not be strictly applicable. Centrum Group, however, complies with the applicable regulations in respect of its operations.

Note 2: The questions pertaining to Principle 6 are not substantially relevant to Centrum group given that the group operates in financial service sector. Centrum Group along with its employees takes initiatives to reduce consumption of energy and also makes continuous efforts to ensure that there is an optimum utilization of the available resources (like paper, water, etc.) with minimum or no wastage at all.

Note 3: The core business of Centrum Group is to provide financial services and hence Principle 7 has limited applicability.

However, the Company endeavours to comply with all applicable rules and regulations with respect to its services. We attempt to be transparent, fair in our advice, and responsive to the customer requirements and feedback.

**B. If answer to the question at Sr. No 1 against any principle, is “No”, please explain why:**

	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles.								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles								
3	The Company does not have financial or manpower resources available for the task								
4	It is planned to be done within next six month								
5	It is planned to be done within next one year								
6	Any other reason (Please specify)- <b>Kindly refer to the notes forming part of Table A above</b>								
		√				√	√		

**3. Governance related to BR:**

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year –

Though BR performance is an ongoing process, the Board of Directors/ Committee of the Board assess the same annually.

- Does the Company publish a BR or sustainability Report? What is hyperlink for viewing this report? How frequently it is published?

Yes, the BR Report is a part of the Annual Report of the Company and is available on the website of the Company at [www.centrum.co.in](http://www.centrum.co.in)

Principle - 2 may not be strictly applicable. Centrum Group, however, complies with the applicable regulations in respect of its operations.

- List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Not Applicable

- For each such product, provide the following details in respect of resource use (energy, water, raw materials etc.) per unit of product (optional) including:

- Reduction during sourcing/production/distribution throughout the value chain and
- Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable

- Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Not Applicable

- Has Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors

Not Applicable

- Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste. (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Not Applicable

**Principle 3:**

**Business should promote the well-being of all employees**

Details of the Company as at March 31, 2022 are as follows:

- Please indicate the total number of employees:

36

- Please indicate the total number of employees hired on temporary/ contractual /casual basis:

8

**SECTION E: PRINCIPLE-WISE PERFORMANCE****Principle 1:**

**Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

- Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/NGOs/ Others?

The Company has adopted various policies/codes in relation to Ethics, Anti- Bribery and Anti-Corruption and the same are applicable to group entities as well.

- How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

As mentioned in the Corporate Governance Report, no complaints were received from shareholders of the Company during the Financial Year 2021-2022. Additionally, on an ongoing basis, the complaints/ grievances/ views/ suggestions from viewers and other stakeholders are dealt with by the respective functions within the Company.

**Principle 2:**

**Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle #**

The core business area of Centrum Group is to provide financial services. Considering the nature of business of the Company,



3. Please indicate the number of permanent women employees:

11

4. Please indicate number of permanent employees with disabilities:

The Company does not specifically track the number of disabled employees. Centrum is an equal opportunity employer and treats all its employees equally.

5. Do you have employee association that is recognized by management?

No

6. What percentage of your permanent employees are members of this recognized employee association?

Not Applicable.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

There were no such complaints received by the Company during the Financial year 2021-22

8. What percentage of your above-mentioned employees were given safety and skill up-gradation training in the last year?

The Company believes in imparting formal and informal trainings to its employees on a continuous basis. The Company has the practice of imparting awareness programmes for prevention of Sexual Harassment Policy, Fire and Safety training and safety training to all permanent employees. Apart from this the Company organises regular induction training for all new employees covering company policies and employee welfare benefits. In addition, specific skill based enhancement programmes are conducted at all levels and Leadership programmes for middle and senior Management team are periodically conducted at the Group Level, covering 25 % of employees.

#### Principle 4:

Businesses should respect interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external shareholders?

Yes

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof

CSR spends of the Centrum Group are targeted towards long-term sustainable programs that actively contribute to and support the social and economic development of the society.

#### Principle 5:

Business should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint ventures/suppliers/contractors/NGOs/Others?

Centrum Group has adopted various policies i.e. Code of Conduct, Policy against Sexual Harassment, Whistle Blower Policy, etc. which ensures that there is no violation of human rights in its conduct.

2. How many stakeholder complaints have been received in the past financial year and what percent the Management satisfactorily resolved?

During the year under review, no complaint has been filed with respect to human rights violation from any stakeholder.

#### Principle 6:

Business should respect, protect, and make efforts to restore the Environment

The questions pertaining to Principle 6 are not substantially relevant to Centrum Group, given that the group operates in financial services sector. Centrum Group along with its employees takes initiatives to reduce consumption of energy and also makes continuous efforts to ensure that there is an optimum utilization of the available resources (like paper, water, etc.) with minimum or no wastage at all.

1. Does the policy related to principle 6 cover only the Company or extend to the Group/Joint ventures/suppliers/contractors/NGOS/Others?

Not Applicable

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Not Applicable

3. Does the company identify and assess potential environmental risks? Y/N

Not Applicable

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Not Applicable

5. Has Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc? Y/N. If yes, please give hyperlink to web page etc.

Not Applicable

6. Are the Emissions/Waste generated by the Company within permissible limits given by CPCB/SPCB for the financial year being reported?

Not Applicable

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year.

Not Applicable

#### Principle 7:

**Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

The core business of Centrum Group is to provide financial services and hence Principle 7 has limited applicability.

1. Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.

Not Applicable

2. Have you advocated/lobbied through above associations for advancement or improvement of public good? Yes/No; If yes, specify the broad areas

Not Applicable

#### Principle 8:

**Businesses should support inclusive growth and equitable development**

1. Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8?

Yes.

Through Centrum Foundation and CSR activities/initiatives, we primarily work on three areas (currently):

- Women Empowerment and Gender Equality
- Education at elementary and early childhood stage
- Livelihood initiatives.

The CSR activities / programmes support inclusive growth and equitable development. Through our businesses, we also cater to financing needs of low and middle income groups for affordable housing, micro finance and small business loans.

2. Are the programmes/ projects undertaken through in-house team/own foundation/ external NGO/government structures/ any other organisation?

To facilitate identifying long-term CSR projects and monitoring implementation, the CSR Committee of the Company has been reconstituted which has assigned the responsibility to identify and monitor CSR spends to a focused team within the Company. Further, the programmes/ projects are also undertaken through Centrum Foundation.

3. Have you done any impact assessment of your initiative?

Yes, the Company continuously monitors and assesses the impact of its CSR initiatives.

4. What is Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

Please refer to the Annexure J forming part of the Directors Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

At Centrum, we have always believed that, in addition to managing and growing our businesses by efficiently servicing clients with the highest standards of transparency and corporate governance, we should contribute to the betterment of society by bringing positive changes into the lives of those in need. The Centrum Foundation, undertakes a number of initiatives to improve the lives of our fellow citizens. FY 2021-22 was a year of significant achievements, both in terms of activities executed, and people impacted positively.

**Principle 9:**

**Business should engage with and provide value to their customers and consumers in a responsible manner**

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?

The Company in its normal course of business resolves / replies to the customer grievances within the given timelines.

The Company does not have any customer complaints which are pending as on March 31, 2022.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Since the Company is not engaged in the manufacturing sector, the above question is not applicable. However, all necessary disclosure requirements relating to the services offered by the Company are complied with.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and or anti-competitive behaviour during the last five years and pending as of end of financial year?

None

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

The Company has not carried out any formal consumer survey to map customer satisfaction. However, the Group always puts the interests of its clients before its own. The Group understands its client's needs, seeks new opportunities for them, addresses them and delivers unique solutions as per their expectations. The Group promotes its services in ways that do not mislead its clients.

## Annexure D

# CORPORATE GOVERNANCE REPORT

Company's Report on Corporate Governance for the Financial Year ended March 31, 2022, pursuant to Regulation 34(3) and 53(1)(f) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## I. PHILOSOPHY OF CORPORATE GOVERNANCE:

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

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

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

Over the years, we have strengthened our governance practices. These practices define the way business is conducted

and value is generated. Stakeholders' interests are the primary consideration parameter when taking business decisions.

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

## II. BOARD OF DIRECTORS:

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

### COMPOSITION OF THE BOARD:

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

The strength of the Board as on March 31, 2022, is 13 Directors. The Board comprises of 8 Independent Directors, 4 Non-Executive Non-Independent Directors and an Executive Chairman.

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

Sr. No	Name of the Director	Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)
1	Mr. Chandir Gidwani	Entrepreneur, Accounts & Finance, Business Strategy and Corporate Management
2	Mr. Jaspal Singh Bindra	Entrepreneur, Banking and Finance
3	Mr. Rishad Byramjee	Entrepreneur, Shipping and Logistics Industry domain, Business Strategy and Corporate Management
4	Mrs. Mahakhurshid Byramjee	Entrepreneur, Real Estate Development, Business Strategy and Corporate Management
5	Mr. Ramchandra Kasargod Kamath	Professional, Banking & Finance, Secretarial, Corporate Governance
6	Mr. Subhash Kutte	Professional, Banking & Finance

Sr. No	Name of the Director	Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)
7	Mr. Manmohan Shetty	Entrepreneur, Film & Entertainment Industry domain, Business Strategy and Corporate Management
8	Mr. Rajasekhara Reddy	Professional, Banking & Finance
9	Mr. Narayan Vasudeo Prabhutendulkar	Professional, Finance, Management, Secretarial & Corporate Governance
10	Ms. Anjali Seth	Professional, Law – Corporate Sector, Merger & Acquisitions and Private Equity, Corporate Governance
11	Mr. Subrata Kumar Mitra	Professional, Banking & Finance
12	Mr. Rajesh Kumar Srivastava	Professional, Banking & Finance
13	Mr. Sankaranarayanan Radhamangalam Anantharaman	Professional, Banking, Risk & Treasury

The number of Directorships, Committee Memberships/ Chairmanships of all Directors are within respective limits prescribed under the Act and Listing Regulations.

#### **DIRECTORS' DIRECTORSHIPS/COMMITTEE MEMBERSHIPS:**

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

Relevant details of the Board of Directors as on March 31, 2022, are given below:

Name of Director & DIN	Date of Appointment (dd/mm/yyyy)	Category of Director	Directorships in other Indian Public Limited Companies (excluding Centrum)	No. of Board Committees in which Chairperson/ Member (excluding Centrum)		List of Directorship held in Other Listed Companies and Category of Directorship
				Chairperson	Member	
Mr. Chandir Gidwani DIN: 00011916	07/09/1996	Chairman Emeritus	7	1	3	<ul style="list-style-type: none"> <li>• ADF Foods Limited (Non-Executive Independent Director)</li> <li>• Rap Media Limited (Non-Executive Independent Director)</li> </ul>
Mr. Jaspal Singh Bindra DIN: 00128320	21/04/2016	Executive Chairman	2	-	-	-
Mrs. Mahakurshid Byramjee DIN: 00164191	18/04/2001	Non-Executive Director	0	-	-	-
Mr. Rishad Byramjee DIN: 00164123	11/03/2003	Non-Executive Director	2	-	1	-
Mr. Ramchandra Kasargod Kamath DIN: 01715073	14/11/2015	Non-Executive Director	3	-	3	<ul style="list-style-type: none"> <li>• Aavas Financiers Limited (Nominee Director)</li> <li>• Spandana Sphoorty Financial Limited (Nominee Director)</li> </ul>

Name of Director & DIN	Date of Appointment (dd/mm/yyyy)	Category of Director	Directorships in other Indian Public Limited Companies (excluding Centrum)	No. of Board Committees in which Chairperson/ Member (excluding Centrum)		List of Directorship held in Other Listed Companies and Category of Directorship
				Chairperson	Member	
Mr. Rajasekhara Reddy DIN: 02339668	14/02/2013	Independent Director	4	-	-	<ul style="list-style-type: none"> <li>Vastu Housing Finance Corporation Limited (Debt Listed) (Non-Executive Independent Director)</li> </ul>
Mr. Manmohan Shetty DIN: 00013961	05/08/2016	Independent Director	5	-	2	<ul style="list-style-type: none"> <li>Imagicaaworld Entertainment Limited (Director)</li> <li>Mukta Arts Limited (Independent Director)</li> </ul>
Mr. Subhash Kutte DIN: 00233322	06/07/2015	Independent Director	7	3	6	<ul style="list-style-type: none"> <li>Synergy Green Industries Limited (Independent Director)</li> <li>Menon Pistons Limited (Independent Director)</li> <li>Unity Small Finance Bank Limited (Debt Listed) (Independent Director)</li> </ul>
Mr. Narayan Vasudeo Prabhutendulkar DIN: 00869913	01/10/2018	Independent Director	1	1	1	<ul style="list-style-type: none"> <li>Bandhan Bank Limited (Non-Executive Independent Director)</li> </ul>
Ms. Anjali Seth DIN: 05234352	12/11/2018	Independent Director	6	4	8	<ul style="list-style-type: none"> <li>Nirlon Limited (Non-Executive Independent Director)</li> <li>Endurance Technologies Limited (Non-Executive Independent Director)</li> <li>Kalpataru Power Transmission Limited (Non-Executive Independent Director)</li> <li>JMC Projects (India) Limited (Non-Executive Independent Director)</li> <li>Centrum Housing Finance Limited (Debt Listed) (Non-Executive Independent Director)</li> </ul>

Name of Director & DIN	Date of Appointment (dd/mm/yyyy)	Category of Director	Directorships in other Indian Public Limited Companies (excluding Centrum)	No. of Board Committees in which Chairperson/ Member (excluding Centrum)		List of Directorship held in Other Listed Companies and Category of Directorship
				Chairperson	Member	
Mr. Subrata Kumar Mitra DIN: 00029961	12/09/2019	Independent Director	8	5	9	<ul style="list-style-type: none"> <li>Asirvad Microfinance Limited (Debt Listed) (Director)</li> <li>Onward Technologies Limited (Non-Executive Independent Director)</li> <li>IL&amp;FS Engineering and Construction Company Limited (Non-Executive Independent Director)</li> <li>IL&amp;FS Transportation Networks Limited (Non-Executive Independent Director)</li> <li>AGS Transact Technologies Limited</li> </ul>
Mr. Rajesh Kumar Srivastava DIN: 00302223	12/02/2020	Independent Director	4	-	2	-
Mr. Sankaranarayanan Radhamangalam Anantharaman DIN: 05230407	03/04/2021	Independent Director	2	1	2	<ul style="list-style-type: none"> <li>The South Indian Bank Limited</li> </ul>

## Notes:

- Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
- Membership of Committees only includes Audit Committee and Stakeholders Relationship Committee in all the public limited companies other than Centrum Capital Limited. Based on the intimations/disclosures received from the Directors, none of the Directors of the Company hold Memberships/Chairpersonship of the Board/Committees, more than the prescribed limits under the Listing Regulations.
- Late Mr. Rajesh Nanavaty, Non-Executive Non Independent Director passed away on August 03, 2021.
- Mr. Rishad Byramjee is the son of Mrs. Mahakurshid Byramjee. None of the other Directors are related inter-se.
- Brief profiles of each of the above Directors are available on the Company's website: [www.centrum.co.in](http://www.centrum.co.in).
- Maximum tenure of Independent Directors is in accordance with the Act and rules made thereunder.

**INDEPENDENT DIRECTORS CONFIRMATION BY THE BOARD:**

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

**NUMBER OF INDEPENDENT DIRECTORSHIPS:**

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

**BOARD MEETINGS:**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. In case of

business exigencies, the approval of the Board is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

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

5 (Five) Board Meetings were held during the Financial Year 2021-22 i.e. June 22, 2021, August 13, 2021, August 24, 2021, November 03, 2021 and February 11, 2022. All Board Meetings in FY 2021-22 were held through video conferencing and the gap between two consecutive meetings was less than 120 days. Except for the meeting dated June 22, 2021, wherein there was a gap of 130 days from the date of the previous Board Meeting due to exceptional circumstances caused by the resurgence of COVID-19 pandemic and consequent relaxations granted by MCA and SEBI.

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

Sr. No	Name of Directors	No. of Board Meetings attended	Whether Attended the AGM held on August 26, 2021
1	Mr. Chandir Gidwani	4	Yes
2	Mr. Jaspal Singh Bindra	5	Yes
3	Late Mr. Rajesh Nanavaty*	1	NA
4	Mr. Rajasekhara Reddy	5	Yes
5	Mr. Manmohan Shetty	5	No
6	Mrs. Mahakurshid Byramjee	1	Yes
7	Mr. Rishad Byramjee	5	Yes
8	Mr. Subhash Kutte	5	Yes
9	Mr. Ramchandra Kasargod Kamath	5	Yes
10	Mr. Narayan Vasudeo Prabhutendulkar	5	Yes
11	Ms. Anjali Seth	5	No
12	Mr. Subrata Kumar Mitra	5	Yes
13	Mr. Rajesh Kumar Srivastava	5	Yes
14	Mr. Sankaranarayanan Radhamangalam Anantharaman	5	Yes

\* Mr. Rajesh Nanavaty passed away on August 03, 2021.

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

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

The important functions of the Audit Committee are enumerated below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;



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

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

The Audit Committee met 5 (five) times during the Financial Year 2021-22. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 24, 2021, June 22, 2021, August 12, 2021, November 03, 2021 and February 10, 2022. The requisite quorum was present at all Meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on August 26, 2021.

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

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

The table below provides the attendance of Audit Committee members:

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

**B. NOMINATION & REMUNERATION COMMITTEE:**

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

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

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

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

During the year, the Nomination & Remuneration Committee met 2 (two) times and the required Members were present in the meetings held on June 22, 2021 and February 11, 2022. The table below provides the attendance of the Nomination and Remuneration Committee members:

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

\* Mr. Rajesh Nanavaty passed away on August 03, 2021.

**REMUNERATION POLICY:**

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

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

**DETAILS OF REMUNERATION OF DIRECTORS (FOR THE YEAR ENDED MARCH 31, 2022):****EXECUTIVE DIRECTORS REMUNERATION:**

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

The Remuneration paid during the Financial Year ended March 31, 2022, to Mr. Jaspal Singh Bindra is as follows:

Particulars	Amount (₹ in lakhs)
Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	380.00
Perquisite (Company leased Accommodation)	120.00
Total Fixed Salary (CTC basis)	500.00
Notice Period	3 months
Service Contract*	3 years

\* Mr. Jaspal Singh Bindra has been re-appointed as Executive Chairman with effect from April 21, 2022, for a period of three years.

#### NON – EXECUTIVE DIRECTORS REMUNERATION:

Non-Executive Directors of the Company are entitled only to sitting fees for the meetings of Board of Directors and/or Committee meetings attended by them. No other remuneration is being paid to them. The Company paid sitting fees of ₹ 1,00,000/- per meeting to Non-Executive Directors for attending meetings of the Board and ₹ 90,000/- per meeting for attending Audit Committee meetings and ₹ 25,000 for other Committee Meetings.

#### PERFORMANCE EVALUATION:

Performance Evaluation forms containing criteria for evaluation of the Board as a whole, Committees of the Board and Individual Directors and Chairperson of the Company were sent to all Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of the Board as a whole, Committees of Board, Individual Directors & Chairperson of the Company for the Financial Year 2021-22. Further, based on the feedback received by the Company, the Board of Directors at its Meeting held on May 30, 2022, noted that the Annual Performance of each of the Directors, including the Chairman is highly satisfactory and decided to continue the terms of appointment of all the Independent Directors of the Company.

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

Details of Equity Shares held and sitting fees paid to the Non-Executive Directors during the year ended March 31, 2022 are as follows:

Sr. No	Name of the Director	Equity Shares held**	*Sitting Fees (₹ in lakhs)
1	Mr. Chandir Gidwani	90,000	4.75
2	Mr. Jaspal Singh Bindra	2,00,000	Nil
3	Mrs. Mahakhurshid Byramjee	68,61,120	1.00
4	Mr. Rishad Byramjee	7,43,100	9.75
5	Late Mr. Rajesh Nanavaty***	Nil	1.25
6	Mr. Rajasekhara Reddy	Nil	5.00
7	Mr. Manmohan Shetty	Nil	5.50
8	Mr. Subhash Kutte	Nil	10.75
9	Mr. Ramchandra Kasargod Kamath	Nil	5.00
10	Mr. Narayan Vasudeo Prabhutendulkar	Nil	9.50

Sr. No	Name of the Director	Equity Shares held**	*Sitting Fees (₹ in lakhs)
11	Ms. Anjali Seth	Nil	5.00
12	Mr. Subrata Kumar Mitra	Nil	5.00
13	Mr. Rajesh Kumar Srivastava	Nil	5.00
14	Mr. Sankaranarayanan Radhamangalam Anantharaman	Nil	5.00

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

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

\*\*\* Mr. Rajesh Nanavaty passed away on August 03, 2021.

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

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

#### C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

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

- (1) Resolving grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

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

During the year, the Stakeholders Relationship Committee met 1 (one) time and the required Members were present in the meeting held on March 24, 2022. The table below provides the attendance of the Stakeholders Relationship Committee members:

Sr. No	Name of the Directors	Position	Category	No. of Meetings Attended
1	Mr. Rishad Byramjee*	Chairman	Non-Executive Director	1
2	Mr. Subhash Kutte	Member	Independent Director	1
3	Mr. Chandir Gidwani	Member	Non-Executive Director	1
4	Late Mr. Rajesh Nanavaty**	Member	Non-Executive Director	NA
5	Mr. Jaspal Singh Bindra	Member	Executive Chairman	1

\*Mr. Rishad Byramjee became the Chairman and Mr. Subhash Kutte became a Member of the Committee w.e.f. February 11, 2022.

\*\* Mr. Rajesh Nanavaty passed away on August 03, 2021.

Both Mr. Subhash Kutte and Mr. Rishad Byramjee attended the last Annual General Meeting held on August 26, 2021.

The Company Secretary of the Company, Mr Parthasarathy Iyengar acts as the Compliance Officer.

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

The Company and Registrar have not received any complaint from the shareholders during the Financial Year ended March 31, 2022.

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

**D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The role of Corporate Social Responsibility (CSR) Committee in terms of Section 135 of the Act, inter alia is to monitor and provide strategic direction for fulfilling the Company's Corporate Social Responsibility Policy.

The terms of reference of CSR Committee is as follows:

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

**MEETINGS, COMPOSITION AND ATTENDANCE OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Company was not required to spend any amount towards CSR and consequently, no meeting of the Committee was held during FY 2021-22. The table below provides the composition of the Corporate Social Responsibility Committee:

Sr. No	Name	Category	Position	No of Meetings Attended
1	Mr. Chandir Gidwani	Non-Executive Director	Chairman	NA
2	Mr. Rajesh Nanavaty*	Non-Executive Director	Member	NA
3	Mr. Subhash Kutte	Independent Director	Member	NA
4	Mr. Rishad Byramjee**	Non-Executive Director	Member	NA

\* Mr. Rajesh Nanavaty passed away on August 03, 2021.

\*\*Mr. Rishad Byramjee became the Member of the Committee w.e.f. August 13, 2021.

**E. FUND RAISING COMMITTEE:**

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

**MEETINGS, COMPOSITION AND ATTENDANCE OF THE FUND RAISING COMMITTEE:**

During the year, the Fund Raising Committee met 52 (Fifty Two) times and required Members were present in the meeting. The table below provides the attendance of the Fund Raising Committee members:

<b>Sr. No</b>	<b>Name</b>	<b>Category</b>	<b>Position</b>	<b>No of Meetings Attended</b>
1	Mr. Chandir Gidwani	Non-Executive Director	Chairman	37
2	Mr. Jaspal Singh Bindra	Executive Director	Member	49
3	Mr. Rishad Byramjee	Non-Executive Director	Member	49

**F. RISK MANAGEMENT COMMITTEE:**

The terms of reference of Risk Management Committee are:

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

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

During the year, the Risk Management Committee met 2 (Two) times and required Members were present in the meetings held on February 11, 2022 and March 24, 2022. The table below provides the attendance of the Risk Management Committee Members:

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

**IV. GENERAL BODY MEETINGS:**

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

Financial Year	Day, Date and Time	Venue	No. of Special Resolutions passed
2020-2021	Thursday, August 26, 2021 at 03:00 p.m.	Through Electronic mode [video conference (“VC”) or other audio visual means (“OAVM”)]	0
2019-2020	Friday, September 25, 2020 at 03:30 p.m.	Through Electronic mode [video conference (“VC”) or other audio visual means (“OAVM”)]	3
2018-2019	Tuesday, September 12, 2019 at 03:00 p.m.	M. I. G. Cricket Club, M. I. G. Colony, Ramakrishna Paramahans Marg, Bandra East, Mumbai – 400051	1

**EXTRA ORDINARY GENERAL MEETING:**

During the Financial Year 2021-22, no Extra Ordinary General Meeting of the members of the Company was held.

**POSTAL BALLOT:**

During the Financial Year 2021-22, 5 (Five) Special Resolutions were approved by the Shareholders of the Company through the postal ballot process.

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

The details of the Postal Ballot conducted during the Financial Year 2021-22, are provided herein below:

**A) Postal Ballot Notice dated June 22, 2021, result whereof was announced on July 27, 2021:**

**SPECIAL RESOLUTION: 1. TO CONSIDER AND APPROVE RAISING OF FUNDS THROUGH ISSUE OF EQUITY SHARES OR BY WAY OF ISSUE OF ANY INSTRUMENT OR SECURITY INCLUDING FULLY/PARTLY CONVERTIBLE DEBENTURES, SECURITIES CONVERTIBLE INTO EQUITY SHARES, GLOBAL DEPOSITORY RECEIPTS (THE “GDRS”), AMERICAN DEPOSITORY RECEIPTS (THE “ADRS”), FOREIGN CURRENCY CONVERTIBLE BONDS (THE “FCCBS”), OR BY WAY OF A COMPOSITE ISSUE OF NON-CONVERTIBLE DEBENTURES AND WARRANTS**

No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
41,60,32,740	27,94,24,779	67.1641	27,94,23,245	1,534	99.9995	0.0005

**SPECIAL RESOLUTION: 2. ACQUISITION OF CENTRUM FINANCIAL SERVICES LIMITED (STEP-DOWN SUBSIDIARY COMPANY) FROM CENTRUM RETAIL SERVICES LIMITED (SUBSIDIARY COMPANY)**

No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
41,60,32,740	5,36,93,495	12.9061	5,36,91,338	2,157	99.9960	0.0040

**B) Postal Ballot Notice dated August 24, 2021, result whereof was announced on September 23, 2021:**

SPECIAL RESOLUTION: 1. APPROVAL FOR TRANSFER OF THE ENTIRE BUSINESS (“BUSINESS UNDERTAKING”) OF CENTRUM FINANCIAL SERVICES LIMITED (CFSL), A WHOLLY OWNED MATERIAL SUBSIDIARY TO ITS PROPOSED STEP DOWN SUBSIDIARY (SMALL FINANCE BANK (SFB)), VIA A SLUMP SALE

No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
41,60,32,740	25,15,64,970	60.47	25,15,34,768	30,202	99.99	0.01

SPECIAL RESOLUTION: 2. APPROVAL FOR TRANSFER OF THE ENTIRE BUSINESS (“BUSINESS UNDERTAKING”) OF CENTRUM MICROCREDIT LIMITED (CML), A WHOLLY OWNED MATERIAL SUBSIDIARY TO A PROPOSED SUBSIDIARY OF CENTRUM FINANCIAL SERVICES LIMITED (CFSL) (SMALL FINANCE BANK (SFB)), VIA A SLUMP SALE

No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
41,60,32,740	25,15,64,980	60.47	25,15,34,778	30,202	99.99	0.01

**C) Postal Ballot Notice dated February 11, 2022, result whereof was announced on April 04, 2022:**

SPECIAL RESOLUTION: 1. RE-APPOINTMENT OF MR. JASPAL SINGH BINDRA (DIN: 00128320) AS AN EXECUTIVE CHAIRMAN OF THE COMPANY

No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
41,60,32,740	21,48,06,482	51.6321	21,48,01,076	5,406	99.9975	0.0025

ORDINARY RESOLUTION: 2. APPROVAL FOR RELATED PARTY TRANSACTIONS PROPOSED TO BE ENTERED WITH SUBSIDIARIES/STEP-DOWN SUBSIDIARIES/ASSOCIATE COMPANIES OF THE COMPANY

No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
41,60,32,740	8,04,08,341	19.3274	8,04,01,988	6,353	99.9921	0.0079

**PROCEDURE FOR POSTAL BALLOT:**

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

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

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

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

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

**b. Related Party Transactions**

The Company has no materially significant related party transactions that may have a potential conflict with the interest of the Company. The details of transactions with related parties are given for information under notes to the accounts of the Balance Sheet as on March 31, 2022. The Company has adopted a policy on dealing with Related Party Transactions and the same may be accessed on the Company's website - [www.centrum.co.in](http://www.centrum.co.in).

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

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

**d. Whistle Blower Policy**

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

**e. Disclosure of Accounting Treatment**

In preparation of the annual accounts for the Financial Year ended March 31, 2022, the applicable Accounting Standards and Schedule III of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same.

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

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

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

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



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

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

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

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

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

Total fees for all services (excluding out of pocket expenses) paid by the Company and its subsidiaries on a consolidated basis is ₹ 158.99 Lakhs

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

Number of complaints filed during the Financial Year 2021-22  
0

Number of complaints disposed off during the Financial Year 2021-22  
0

Number of complaints pending as on end of the Financial Year 2021-22  
0

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

The Company has not made any loans or advances in the nature of loans to firms/companies in which Directors are interested during FY 2021-22.

- n. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year,**

- for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.**

Credit Rating of BWR PPMLD BBB by Brickworks Ratings India Private Limited was assigned for the Principal Protected, Secured, Redeemable, Non-Cumulative, Listed, Rated, Non-Convertible Market Linked Debentures issued by the Company.

There has been no change in the credit rating till date.

- o. Management Discussion and Analysis Report**

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

- p. Information to Shareholders**

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

- q. CEO/CFO Certification**

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

- r. Compliance**

A Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in Regulation 34(3) of the Listing Regulations is annexed to the Directors' Report and forms part of the Annual Report.

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

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

- s. Training of Board Members:**

The Board is equipped to perform its role of business assessment through inputs from time to time. Directors are

fully briefed on all business related matters, risk assessment & minimisation procedures, and new initiatives proposed by the Company. Directors are also updated on changes / developments in the domestic / global corporate and industry scenarios including those pertaining to statutes / legislation and economic environment.

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

**t. Familiarisation Programme for Directors**

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

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

**u. Policy for Determining 'Material' Subsidiaries**

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

**VI. MEANS OF COMMUNICATION:**

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

**VII. GENERAL SHAREHOLDER INFORMATION:**

**a. Annual General Meeting for FY 2021-22:**

**Date** : Thursday, August 11, 2022

**Time** : 4:30 p.m. India Time

**Venue** : The Company is conducting the meeting through VC/OAVM pursuant to the MCA Circular dated May 05, 2022 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

**b. Financial year** : April 01, 2021, to March 31, 2022.

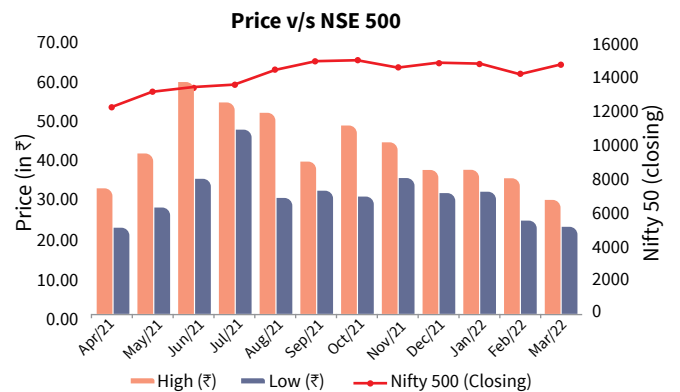
**c. Date of Book Closure** : Not Applicable

**d. Listing on Stock Exchanges** : BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400001.  
National Stock Exchange of India Limited  
  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East) Mumbai 400051.

**e. Stock code** : BSE – 501150  
: NSE – CENTRUM  
Listing Fees as applicable have been paid.

**f. Market Price Data** : Share prices of the Company for the period of twelve months from April 2021 to March 2022

	BSE Limited		Sensex (closing)	National Stock Exchange of India Limited		NIFTY 500 (closing)
	High (₹)	Low (₹)		High (₹)	Low (₹)	
Apr-21	31.95	22.00	48,782.36	32.00	21.95	12,364.35
May-21	40.65	27.00	51,937.44	40.70	28.80	13,226.35
Jun-21	58.50	34.20	52,482.71	58.50	35.20	13,473.55
Jul-21	53.35	46.70	52,586.84	53.35	46.80	13,664.25
Aug-21	50.90	29.35	57,552.39	51.00	29.40	14,555.90
Sep-21	38.50	31.25	59,126.36	36.30	31.25	15,052.65
Oct-21	47.65	29.80	59,306.93	47.90	29.70	15,086.90
Nov-21	43.45	34.50	57,064.87	43.15	34.35	14,648.35
Dec-21	36.60	30.70	58,253.82	36.70	30.70	14,996.20
Jan-22	36.50	31.05	58,014.17	36.45	31.05	14,921.45
Feb-22	34.45	23.70	56,247.28	34.45	23.50	14,307.95
Mar-22	29.10	22.05	58,568.51	29.00	21.90	14,894.50



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

Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement,

and requests for dematerialisation of shares are processed and the confirmation is given to the depositories within 15 days from the date of lodgement, if the documents are clear in all respects.

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

**h. Categories of Shareholding as on March 31, 2022:**

Category	No. of Shareholders	No. of fully paid up Equity Shares Held	Percentage of Shareholding
A Promoter and Promoter Group	3	15,87,55,578	38.16
B Public	45,458	23,83,54,928	57.29
C Non Promoter - Non Public	1	1,89,22,234	4.55
C1 Shares Underlying DRs		0	-
C2 Shares held by Employee Trusts	1	1,89,22,234	4.55
<b>TOTAL (A+B+C)</b>	<b>45,462</b>	<b>41,60,32,740</b>	<b>100.00</b>

\*Shareholders with multiple folios are treated as one.

**i. Distribution of Shareholding as on March 31, 2022:**

Sr. No.	Category (Shares)	No. of Shareholders	% of Total Shareholders	No. of Shares held	% of Total Shares
1	1 – 500	33,018	71.2439	53,73,485	1.2916
2	501 – 1,000	5,729	12.3616	48,73,391	1.1714
3	1,001 – 2,000	3,181	6.8637	50,62,773	1.2169
4	2,001 – 3,000	1,280	2.7619	33,56,524	0.8068
5	3,001 – 4,000	554	1.1954	20,30,779	0.4881
6	4,001 – 5,000	593	1.2795	28,51,881	0.6855
7	5,001 – 10,000	929	2.0045	71,78,409	1.7254
8	10,001 - Above	1,061	2.2894	38,53,05,498	92.6142
	<b>TOTAL</b>	<b>46,345</b>	<b>100.0000</b>	<b>41,60,32,740</b>	<b>100.0000</b>

**j. Dematerialisation of shares:**

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

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

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

The Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments as on March 31, 2022, as such instruments have not been issued in the past.

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

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

**VIII. Address for Correspondence:****1. To the Company:**

Registered Office:	Corporate Office:
Bombay Mutual Building, 2nd Floor, Dr. D.N. Road, Fort, Mumbai - 400001 Tel No: 022 - 22662434; Fax No.: 022 - 22611105 Email: <a href="mailto:info@centrum.co.in">info@centrum.co.in</a> ; <a href="mailto:cs@centrum.co.in">cs@centrum.co.in</a>	Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai - 400098 Tel No.: 022 - 42159000; Fax No.: - 022 42159940 Email: <a href="mailto:info@centrum.co.in">info@centrum.co.in</a> ; <a href="mailto:cs@centrum.co.in">cs@centrum.co.in</a>

**2. Registrar and Share Transfer Agent:****Link Intime India Private Limited**

Unit: Centrum Capital Limited  
C-101, 247 Park LBS Road,  
Vikhroli (West) Mumbai 400 083  
Tel No: 022 - 49186000  
Fax No.: 022 - 49186060  
Email: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

For and on behalf of the Board of Directors

Place: Mumbai  
Date: May 30, 2022

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

## Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of **Centrum Capital Limited**

1. This Certificate is issued in accordance with the terms of our engagement letter.
2. We have examined the compliance of Conditions of Corporate Governance by **Centrum Capital Limited** (the 'Company'), for the year ended on 31st March, 2022, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the 'Listing Regulations') pursuant to the Listing Agreement of the Company with the Stock Exchanges.

### Management's Responsibility

3. The management is responsible for ensuring that the Company complies with the Conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the Conditions of the Corporate Governance stipulated in the Listing Regulations.

### Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the Conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 (the 'Act'), in so far as applicable for the purpose of this Certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, *Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements*, issued by the ICAI.

### Opinion

8. Based on our examination, as above, and to the best of the information and explanations given to us and representations provided by the management, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended 31st March, 2022.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### Restriction on Use

10. The Certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care to any other person or for any other purpose to whom this Certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any event or circumstances occurring after the date of this Certificate.

**SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No.109982W  
by the hand of

**Edwin P. Augustine**

Partner  
Membership No. 043385  
UDIN:22043385AJXFN7288

## Annexure E

# Nomination and Remuneration Policy

## BACKGROUND

Section 178 of the Companies Act, 2013 (“the Act”) and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), as amended from time to time, read with Part D of Schedule II of the Listing Regulations, requires the Nomination and Remuneration Committee (“NRC” / “the Committee”) to formulate a policy relating to the remuneration for the Directors, Key Managerial Personnel (“KMPs”), Senior Management and other employees of Centrum Capital Limited (“the Company”) and recommend the same for approval of the Board. Further, Section 178(4) of the Act stipulates that such policy is required to be disclosed in the Board’s Report.

Section 134 of the Act stipulates that the Board’s Report is required to include a statement on Company’s policy on Directors’ appointment and remuneration including criteria for determining qualifications, positive attributes, independence of directors and remuneration for KMPs and other employees.

Accordingly, the Board of Directors of the Company constituted the NRC at the Meeting held on August 28, 2014 with immediate effect, consisting of three (3) Non-Executive Directors of which not less than one half are the Independent Directors. The Chairman of the Committee is an Independent Director.

## 1. OBJECTIVE & APPLICABILITY

The objective of this Policy is:

1. To formulate the criteria for determining qualifications, positive attributes required for appointment of Directors, Key Managerial Personnel and Senior Management and also the criteria for determining the independence of a Director.
2. To provide the framework for tenure, removal/retirement of Directors, Key Managerial Personnel and Senior Management.
3. To provide the framework for determining remuneration (fixed and performance linked) payable to the Directors, Key Managerial Personnel and Senior Management.
4. To provide the framework for evaluation of the performance of the Board and its constituents.

The Key Objectives of the NRC shall be:

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

2. To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
3. To provide to Key Managerial Personnel and Senior Management rewards linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
4. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
5. To devise a policy on Board diversity
6. To develop a succession plan for the Board and to regularly review the plan

## 2. DEFINITIONS

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

“Board of Directors” or “Board” means the Board of Directors of Centrum Capital Limited as constituted/re-constituted from time to time.

“Company” means Centrum Capital Limited. “Directors” mean Directors of the Company

“Key Managerial Personnel” or “KMP” means Key Managerial Personnel as defined under the provisions of the Companies Act, 2013 from time to time.

“Nomination and Remuneration Committee” or “Committee” means the Committee of the Board constituted/re-constituted under the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Companies Act, 2013 as in force from time to time.

“Policy” or “this Policy” means Nomination and Remuneration Policy.

“Senior Management” means officers one level below the Executive Directors on the Board.

## 3. ROLE OF NRC

### 3.1. Matters to be dealt with, perused and recommended to the Board by the NRC

The Committee shall:

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

- 3.1.2. Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy.
- 3.1.3. Recommend to the Board, appointment including the terms and removal of Directors, KMPs and Senior Management Personnel.
- 3.1.4. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

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

#### 3.2.1. Appointment criteria and qualifications

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

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

Appointment of Independent Directors is subject to the provisions of Section 149 of the Act read with Schedule IV and rules thereunder and the Listing Regulations. The NRC shall check that the proposed person satisfies the criteria of independence as stipulated under Section 149(6) of the Act and the Listing Regulations, before his/her appointment as an Independent Director.

No person shall be appointed as a Director, if he/she is subject to any disqualifications as stipulated under the Act or any other law(s) for the time being in force.

- b) A person shall possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position. In evaluating the suitability of individual Board members, the Committee considers many factors, including general understanding of marketing, finance,

operations, management, public policy, legal, governance and other disciplines. The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company's business and represent stakeholders' interests through the exercise of sound judgment, using its diversity of experience.

- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years. No re-appointment of a Whole-time Director shall be made earlier than one year before the expiry of the current term.

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

#### 3.2.2. Term / Tenure

##### a) Managing Director/Whole-time Director:

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

##### b) Independent Director:

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

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company

in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

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

### 3.2.3. Evaluation

The Company shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

#### A. Senior Management/ KMPs/ Employees:

The Human resource ("HR") Department shall carry out the evaluation of the senior management/ KMPs/ employees, every year ending March 31st, with the Department Head(s)/ Management concerned. Key Responsibility Areas ("KRAs") shall be identified well in advance. Performance benchmarks shall be set and evaluation of employees shall be done by the respective reporting Manager(s)/ Management to determine whether the set performance benchmarks are achieved. The payment of remuneration/annual increment to the aforementioned persons shall be determined after the satisfactory completion of evaluation process.

The HR Department of the Company is authorized to design the framework for evaluating the EDs/KMPs/Senior Management Personnel/Employees.

The objective of carrying out the evaluation by the Company shall be to identify and reward those with exceptional performances during any financial year. Training and Development Orientation programs on a need basis shall be provided to employees, whose performance during any financial year does not meet the benchmark criteria.

### 3.2.4. Removal

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

### 3.2.5. Retirement

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

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

### 3.3.1. General:

- a) NRC while determining the criteria for remuneration for Directors, KMPs/Senior Management and other employees ensures that:
  - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate personnel of the quality required to run the Company successfully;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - remuneration to Directors, KMPs and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- b) The remuneration / compensation / commission etc. to the Whole-time Directors, KMPs and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/ post approval of the shareholders of the Company as per the provisions of the Act read with applicable clauses of the Listing Regulations, if any.



- c) The remuneration and commission to be paid to the Whole-time Directors shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- d) Increment to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Directors and Managing Director.
- e) Where any insurance is taken by the Company on behalf of its Whole-time Directors, the Chief Executive Officer, the Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### 3.3.2. Remuneration to Whole-time Directors, KMPs and Senior Management Personnel:

#### a) Fixed pay:

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

#### b) Variable pay:

Variable Pay shall be linked to assessment of performance and potential. This would be based on Key Result Areas (KRAs), Standards of Performance and achievement of targets with overall linkage to company Budgets and business/functional targets/objectives.

Depending on the nature of the business/function, the risk involved, the time horizon for review of quality and longevity of the assignments performed, various forms of Variable Pay may be applicable. The incentive compensation may include Stock Appreciation Rights (SARs) or Employee Stock Options (ESOPs) that would be structured, variable incentives, linked to stock price of the Company, payable over a period of time.

#### c) Minimum remuneration:

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

#### d) Provisions for excess remuneration:

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

### 3.3.3. Remuneration to Non- Executive / Independent Director:

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

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

Within the parameters prescribed by law, the payment of sitting fees and commission shall be recommended by the NRC and approved by the Board.

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

Overall remuneration practices shall be consistent with recognised best practices.

In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending

Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, Client Visits, induction and training (organised by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

#### 4. NOMINATION DUTIES

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

- 4.1 Ensuring that there is an appropriate induction in place for new Directors and reviewing its effectiveness;
- 4.2 Ensuring that on appointment to the Board, the Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 4.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 4.4 Determining the appropriate size, diversity and composition of the Board;
- 4.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 4.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 4.7 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 4.8 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 4.9 Recommend any necessary changes in the Policy to the Board; and
- 4.10 Considering any other matters, as may be requested by the Board.

#### 5. REMUNERATION DUTIES

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

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

- 5.2 to approve the remuneration of the Senior Management including key managerial personnel of the Company, in line with the Policy, maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 5.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 5.4 to consider any other matters as may be requested by the Board.
- 5.5 Professional indemnity and liability insurance for Directors and senior management.

#### 6. MINUTES OF COMMITTEE MEETING

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

#### 7. APPLICABILITY TO SUBSIDIARIES

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

#### 8. REVIEW AND AMMENDMENT

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

#### 9. COMPLIANCE RESPONSIBILITY

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

#### 10. DISCLOSURES

The Company shall disclose this Policy on its website and a web link thereto shall be provided in the Annual Report.

## Annexure F

# Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third provision thereto**

### 1. Details of contracts or arrangements or transactions not at arm's length basis

- The details of contracts or arrangements or transactions entered into during the year ended March 31, 2022, which were not at arm's length basis.

Sr. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ Transactions	Duration of the contracts/ arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value( ₹ In Lacs) , if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
1	-	-	-	-	-	-	-	-

### 2. Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2022, are as follows:

Sr. No	Name(s) of the related party & Nature of relationship	Nature of transactions	Transactions Value (₹ in lacs) Aggregate	Duration of transactions	Salient terms of transactions	Date of approval/ noting by the Board	Amount paid in advance (₹)
1	Centrum Retail Services Limited	Purchase of CFSL Compulsory Convertible Debentures	1,771.73	01.04.2021 to 31.03.2022	No. of Debentures: 1,50,91,430 Face value : ₹ 10 Interest rate: 10% per annum	22.06.2021	-
2	Centrum Retail Services Limited	Purchase of CFSL Equity Shares	29,782.66	01.04.2021 to 31.03.2022	No. of Equity Shares 9,89,56,942 Face Value : ₹ 10	22.06.2021	-
3	Amritpal Singh Bindra	Purchase of CRSL Equity Shares	6,180.50	one or more tranches	No. of Equity Shares 18,29,446 Face Value : ₹ 10	28.05.2019	-
4	Centum Microcredit Limited	Corporate Guarantee given	2,500.00	01.04.2021 to 31.03.2022	Guarantee from Holding Company being part of the sanctioned terms and conditions stipulated by Banks /Financial Institution	22.06.2021	-
5	Centrum Financial Services Limited	Corporate Guarantee taken back	(8,400.00)	01.04.2021 to 31.03.2022	Guarantee from Holding Company being part of the sanctioned terms and conditions stipulated by Banks /Financial Institutions	22.06.2021	-

Sr. No	Name(s) of the related party & Nature of relationship	Nature of transactions	Transactions Value (₹ in lacs) Aggregate	Duration of transactions	Salient terms of transactions	Date of approval/ noting by the Board	Amount paid in advance (₹)
6	Centrum Housing Finance Limited	Corporate Guarantee given	8,500.00	01.04.2021 to 31.03.2022	Guarantee from Holding Company being part of the sanctioned terms and conditions stipulated by Banks /Financial Institutions	22.06.2021	-
7	Centrum Broking Limited	Corporate Guarantee given	10,000.00	01.04.2021 to 31.03.2022	Guarantee from Holding Company being part of the sanctioned terms and conditions stipulated by Banks /Financial Institutions	22.06.2021	-

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

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

Place: Mumbai  
Date: May 30, 2022

## Annexure G

# FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2022

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

To  
The Board of Directors  
**Centrum Capital Limited**  
Registered Office, Bombay Mutual Building  
2nd Floor, D. N. Road. Fort  
Mumbai-400001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Centrum Capital Limited** (hereinafter called “the Company”) incorporated on November 18, 1977, having CIN L65990MH1977PLC019986 and Registered Office at Bombay Mutual Building, 2nd Floor, D. N. Road. Fort, Mumbai- 400001 and having its corporate office at Centrum House, CST Road, Santacruz East, Mumbai, for the Financial Year ended on March 31, 2022. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, 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 march 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”)

I have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the Company for the compliances under the applicable Acts/laws and regulations to the Company.

The following regulations are specifically applicable to the Company:

- (a) The Securities and Exchange Board of India (Merchant Banking) Regulations, 2011
- (b) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (c) The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994

- (d) The Securities and Exchange Board of India (Underwriters) Regulations, 1993
- (e) Securities and Exchange Board of India (Intermediaries) Regulations, 2008
- (f) Prevention of Money Laundering Act, 2002
- (g) Sexual Harassment of Women at workplace (Prevention, prohibition and Redressal) Act, 2013

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India: Applicable with effect from July 1, 2015
- (ii) The Listing Agreement entered into by the Company with BSE Limited and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review:

1. The members of the Company, at the Annual General Meeting held on August 26, 2021 have approved the following resolutions :

**i) Ordinary Resolution:**

Appointment of M/s Sharp and Tannan, Chartered Accountants as Statutory Auditors of the Company for a period of 5 years at an annual remuneration of ₹ 19 lakhs from conclusion of 43rd Annual General Meeting to the conclusion of 48th Annual General Meeting pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014;

**ii) Ordinary Resolution:**

Appointment of Mr. RA Sankara Narayanan, (DIN 05230407), pursuant to the provisions of Section 149, 152, Schedule IV and Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as an Independent Director for a period of 5 consecutive years from April 03, 2021 upto April 02, 2026

2. The members of the Company, through postal ballot, have passed the following resolutions :

**A) Postal Ballot concluded on July 27, 2021**

**i) Special Resolution:**

Raising of funds through issue of Equity Shares or by way of issue of securities for an aggregate amount upto a sum of ₹ 500 crores

**ii) Special Resolution :**

Acquisition of Centrum Financial Services Limited (Step Down Subsidiary Company) from Centrum Retails Services Limited (Subsidiary Company) for the setting up Small Finance Bank

**B) Postal Ballot Concluded on September 23, 2021**

**i) Special Resolution :**

For Transfer of the entire business of Centrum Financial Services Limited, a wholly owned material subsidiary to its proposed step up subsidiary (Small finance Bank via a slump sale pursuant to Section 180(1)(a) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**ii) Special Resolution :**

For Transfer of the entire business of Centrum Microcredit Limited, a wholly owned material subsidiary to its proposed step up subsidiary of Centrum Financial Services Limited (Small Finance Bank via a slump sale, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**C) Postal ballot concluded on April 02, 2022**

**i) Special Resolution:**

The Re-appointment of Mr. Jaspal Singh Bindra (DIN 00128320) as Executive Chairman of the company for a period of 3 years from April 21, 2022 and ending on April 20, 2025 and approved his remuneration, pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013

**ii) Ordinary Resolution :**

Related party transaction proposed to be entered with subsidiaries / step-down subsidiaries / associate companies of the Company for the purpose of lending / borrowing and interest thereon, providing and receiving corporate guarantees and providing securities for existing / new credit facility (ies) whether availed by the company or its group companies, other than its wholly owned subsidiary/ies for a sum of ₹ 1000 crore

3. Mr. Rajesh Nanavaty , Non-Executive Director passed away on August 03, 2021 and hence he ceased to be a Director of the Company
4. Mr. Alpesh Shah, Company Secretary passed away on October 13, 2021 and hence ceased to be the Company Secretary and Compliance Officer with effect from the said date
5. Company made an application for issue of immunity certificate under the Companies Fresh Start Scheme on June 20, 2021 vide SRN T28481893 in respect of Form MGT-14 and Form AOC-4 and the same were approved by the Ministry of Corporate Affairs on June 30, 2021.
6. The term of office of M/s Haribhakti & Co, LLP, concluded on August 26, 2021 after completion of the maximum period as statutory auditors.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent

Directors including the woman director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decisions are carried through recorded as part of the minutes-All the resolutions were passed unanimously.

I further report that based on review of compliance mechanism established by the Company, I am of the opinion that the Company has adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Umesh P Maskeri**

Practicing Company Secretary  
COP No. 12704 FCS No 4831  
ICSI UDIN F004831D000422622  
ICSI Peer Review Certificate No 653/2020

Place: Mumbai

Date: May 30, 2022

Note:

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

## Annexure G

**FORM NO. MR-3****ANNEXURE I**

To  
The Members  
**Centrum Capital Limited**  
Registered Office, Bombay Mutual Building  
2nd Floor, D. N. Road. Fort  
Mumbai-400001

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Umesh P Maskeri**

Practicing Company Secretary  
FCS No 4831 COP No. 12704  
Peer Review Certificate No 653/2020

Place: Mumbai

Date: May 30, 2022



## Annexure H

### REMUNERATION DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

#### i. RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF ALL EMPLOYEES:

The information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of the ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year are as follows:

Median remuneration of all the employees of the Company for the Financial Year 2021-22	₹ 8,28,268/-
The percentage increase in the median remuneration of employees in the Financial Year 2021-22	(30.33)
The number of permanent employees on the rolls of Company as on March 31, 2022	36

Sr. No.	Name of Director	Designation	Ratio of remuneration to median remuneration of all employees
1.	Mr. Jaspal Singh Bindra	Executive Chairman	58.09:1

**Notes:**

The ratio of remuneration to median remuneration is based on annualized remuneration of employees.

#### ii. AVERAGE PERCENTILE INCREASE ALREADY MADE IN THE SALARIES OF EMPLOYEES OTHER THAN THE MANAGERIAL PERSONNEL IN THE LAST FINANCIAL YEAR AND ITS COMPARISON WITH THE PERCENTILE INCREASE IN THE MANAGERIAL REMUNERATION AND JUSTIFICATION THEREOF AND POINT OUT IF THERE ARE ANY EXCEPTIONAL CIRCUMSTANCES FOR INCREASE IN MANAGERIAL REMUNERATION:

- a. The average increase in remuneration of employees other than managerial personnel during the financial year 2021-22 is (1.55%)
- b. Increase in managerial remuneration is 47.82%.

#### iii. PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR, CFO, CEO, CS, IF ANY IN THE FINANCIAL YEAR

Sr. No	Name of the Director	Designation	FY 2021-22	% of increase in remuneration
1	Mr. Jaspal Singh Bindra	Executive Chairman	481.12	42.70%
2	Mr. Sriram Venkatasubramanian	CFO	186.61	83.08%
3	Mr. Alpesh Shah (till October 12, 2021)	Company Secretary	15.04	24.55%

₹ in Lakhs

#### iv. AFFIRMATION

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

**For and on behalf of the Board of Directors**

Place: Mumbai  
Date: May 30, 2022

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

## Annexure I

# Annual Report on Corporate Social Responsibility (CSR) Activities:

[Pursuant to Section 134(3)(o) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

## 1. A brief outline of the Company's CSR policy, and a reference to the web-link to the CSR policy

In accordance with the CSR Policy of the Company, the CSR initiatives are focused on following pre-identified areas:

- a. The CSR activities shall be undertaken as per CSR policy of the Company by way of projects or programs or activities (either new or ongoing) in India, excluding the activities undertaken in pursuance of the normal course of business. The Company shall give preference to the local areas around it from where it operates, for spending the amount earmarked for CSR activities.
- b. The Board may decide to undertake CSR activities approved by the CSR Committee directly through employees of the Company or through a registered trust or a registered society or an entity established by the Company or Subsidiary or Associate Company under Section 8 of the Companies Act, 2013, or otherwise and subject to the conditions as specified in the CSR Rules.
- c. The Company may also collaborate with other Companies for undertaking projects or programs or CSR activities in such a manner that, the CSR Committee of respective Companies are in a position to report separately on such projects or programs in accordance with the CSR Rules.
- d. CSR expenditure shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities, approved by the Board on the recommendation of the CSR Committee, but shall not include:
  - i) any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.
  - ii) CSR projects or programs or activities that benefit only the employees and their families.
  - iii) Contribution of any amount made directly or indirectly to any political party under Section 182 of the Act.
- e. The Company may fulfil its CSR obligations by way of a donation to a fund established/approved by the Government or any other appropriate authority on the recommendation of the CSR Committee.
- f. CSR activities include:
  - i) Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
  - ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
  - iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
  - iv) Ensuring environmental sustainability, ecological balances, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water; including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of the river Ganga;
  - v) Protection of National Heritage, art and culture including restoration of buildings and sites of historical importance and works of arts, setting up of public libraries, promotion and development of traditional arts and handicrafts;
  - vi) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
  - vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
  - viii) Contribution to the Prime Minister's National Relief Fund or Prime Minister's Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, Other Backward Classes, minorities and women;

- ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- (b) Contributions to public funded universities; Indian Institute of Technology (IITs); National laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).  
Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT)
- x) Rural Development Projects.
- xi) Slum Area Development.  
For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
- xii) Disaster Management including relief, rehabilitation and reconstruction activities.
- xiii) Any such other activities as may be notified by the Ministry of Company affairs and included in Schedule VII of the Companies Act, 2013.

The CSR Policy of the Company can be accessed on the web link: [www.centrum.co.in](http://www.centrum.co.in).

#### For and on behalf of the Board of Directors

##### Jaspal Singh Bindra

Executive Chairman

Place: Mumbai

Date: May 30, 2022

#### 2. The Composition of the CSR Committee:

In accordance with the provisions of Section 135 of the Companies Act, 2013 (the "Act"), the Board of Directors of the Company has constituted a Corporate Social Responsibility Committee (CSR Committee). As on March 31, 2022, the composition of the CSR Committee was as follows:

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

#### 3. Average net profit of the Company for last three financial years i.e. FY 2018-2019, 2019-2020 and 2020-21:

₹ (43,861.44) Lakhs

#### 4. Prescribed CSR Expenditure [Rounded off] (two percent of the amount as in item 3 above): NIL

#### 5. Details of CSR spent during the Financial Year 2021-22: NIL

#### 6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reason for not spending the amount in its Board Report:

The Company is not having any liability towards Corporate Social Responsibility under Section 135 of Companies Act, 2013, for the Financial Year 2021-22, based on the computations of average net profits during the preceding three Financial Years.

#### 7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company:

The CSR Committee confirms that the implementation and monitoring of the CSR Policy of the Company is in compliance with the CSR objectives and CSR Policy of the Company.

#### For and on behalf of the CSR Committee

##### Chandir Gidwani

Chairman- CSR Committee

## DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees, including the Managing Director and Executive Directors.

In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2022, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the Board), the Chief Financial Officer and the Company Secretary as on March 31, 2022.

### For and on behalf of the Board of Directors

**Jaspal Singh Bindra**

Executive Chairman

DIN: 00128320

Place: Mumbai

Date: May 30, 2022

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and sub clause (10) (i) of Para C of Schedule V the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To  
The Members of  
**Centrum Capital Limited**  
Registered Office,  
Bombay Mutual Building, 2nd Floor  
Dr. D N Road, Fort  
Mumbai-400001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Centrum Capital Limited** having CIN L65990MH1977PLC019986 and having registered office at Bombay Mutual Building, 2nd Floor, Dr. D N Road, Fort, Mumbai-400001 (hereinafter referred to as 'the Company') and having its Corporate Office at Centrum House, Vidyanagari, Santacruz East, Mumbai- produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with sub clause 10 (i) of Para-C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority, as mentioned below:

Sr. No	Name of Director	DIN	Date of appointment in company
1	Mr. Manmohan Shetty	00013961	01-11-2012
2	Mr. Subhash Kutte	00233322	06-07-2015
3	Ms. Anjali Seth	05234352	12-11-2018
4	Mr. Subrata Kumar Mitra	00029961	12-09-2019
5	Mr. Narayan Vasudeo Prabhutendulkar	00869913	01-10-2018
6	Mr. Jaspal Singh Bindra	00128320	21-04-2016
7	Mr. Chandir Gidwani	00011916	07-09-1996
8	Mrs. Mahakurshid Byramjee	00164191	18-04-2001
9	Mr. Ramchandra Kasargod Kamath	01715073	14-11-2015
10	Mr. Rajasekhara Reddy	02339668	14-02-2013
11	Mr. Rishad Byramjee	00164123	11-03-2003
12	Mr. Rajesh Kumar Srivastava	00302223	12-02-2020
13	Mr.Sankaranarayanan Radhamangalam Anantharaman	05230407	03-04-2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on the status of disqualification, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Umesh P Maskeri**  
Practicing Company Secretary  
COP No. 12704 FCS No 4831  
ICSI UDIN F004831D000422633  
Peer Review Certificate No 653/2020

Place : Mumbai  
Date : May 30, 2022

# COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To  
The Board of Directors  
Centrum Capital Limited  
Registered Office, Bombay Mutual Building  
2nd Floor, Dr. D. N. Road, Fort,  
Mumbai - 400001

I Umesh P Maskeri, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on November 03, 2021 by the Board of Directors of Centrum Capital Limited (hereinafter referred to as 'the Company'), having CIN L65990MH1977PLC019986 and Registered Office at Bombay Mutual Building, 2nd Floor, Dr. D. N. Road, Fort, Mumbai-400001 and having its corporate office at Centrum House, CST Road, Santacruz (East), Mumbai-400098. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations"), for the Financial Year ended on March 31, 2022.

## Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

## Verification:

The Company has implemented CCL Employee Stock Option Scheme viz. Employee Stock Option Scheme/ Employee Stock Purchase Scheme in accordance with the Regulations and the Special Resolution(s) passed by the Members at the Annual General Meeting of the Company held on August 31, 2017.

For the purpose of verifying the compliance of the Regulations, I have examined the following:

1. Scheme(s) received from/furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the Meeting of the Board of Directors

4. Shareholders resolutions passed at the General Meeting(s);
5. Shareholders resolution passed at General Meetings w.r.t variation in implementing the scheme(s) through a trust(s); Not applicable during the Financial Year
6. Minutes of the Meetings of the Compensation Committee; Trust the scheme (if any);
7. Trust Deed;
8. Details of trades in the securities of the company executed by the trust through which the scheme is implemented; Not applicable during the Financial Year
9. Relevant Accounting Standards as prescribed by the Central Government;
10. Detailed terms and conditions of the scheme as approved by Compensation Committee;
11. Bank Statements towards Application money received under the scheme(s); Not applicable during the Financial Year
12. Valuation Report; Not applicable during the Financial Year
13. Exercise Price / Pricing formula;
14. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
15. Disclosure by the Board of Directors;
16. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;

## Certification:

In my opinion and to the best of my/our knowledge and according to the verifications as considered necessary and explanations furnished to me/us by the Company and its Officers, I certify that the Company has implemented the Employee Stock Option Scheme/ Employee Stock Purchase Scheme/ Stock Appreciation Rights Scheme/ General Employee Benefits Scheme/ Retirement Benefit Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

**Assumption & Limitation of Scope and Review:**

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

**Umesh P Maskeri**

Practicing Company Secretary

FCS No 4831 COP No. 12704

Peer Review Certificate Number 653/2020

ICSI UDIN: F004831D000422655

Date: May 30, 2022

Place: Mumbai

Note: This report is to be read with our letter of even date which is annexed as ANNEXURE I and forms an integral part of this report.

# ANNEXURE I

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To  
The Members  
**Centrum Capital Limited**  
Registered Office, Bombay Mutual Building  
2nd Floor, Dr. D. N. Road, Fort,  
Mumbai - 400001

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

1. Maintenance of records and compliances pertaining to the SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Compliance Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: May 30, 2022  
Place: Mumbai

**Umesh P Maskeri**  
Practicing Company Secretary  
FCS No 4831 COP No. 12704  
Peer Review Certificate Number 653/2020



# Financial Statements

# INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Centrum Capital Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of **Centrum Capital Limited** (the 'Company'), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter(s)
1.	<p><b>Carrying value of investments in subsidiaries and an associate</b></p> <p>The Company has equity investments in subsidiaries and an associate amounting to ₹ 96,233.28 lakhs as at 31st March, 2022 (the 'investments') which are carried at cost as per Ind AS 27, Separate Financial Statements.</p> <p>We considered the valuation of such investments to be significant to the audit, because of the materiality of the investments to the standalone financial statements of the Company.</p> <p>The management assesses at least annually the existence of impairment indicators of each investments. The recoverable amounts of the Investments is determined based on the management's estimates of future cash flows and their judgment with respect to the subsidiaries and associate performance.</p> <p>Accordingly, the impairment of investments was determined to be a key audit matter in our audit of the standalone financial Statements.</p>	<p>(Refer Note 8 to the standalone financial statements)</p> <p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- Understood the design and implementation of relevant internal controls with respect to Investments including its impairment assessment;</li> <li>- Performed necessary audit procedures to test the operating effectiveness of the relevant internal controls with respect to valuation of Investments during the year ended and as of 31st March, 2022;</li> <li>- We compared the carrying values of the investment in subsidiaries and associate for which audited financial statements were available with their respective net asset values and earnings for the period;</li> <li>- We obtained management's evaluation of impairment analysis and evaluated the forecast of future cash flows used by the management in the model to compute the recoverable value/value in use;</li> </ul>

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter(s)
		<ul style="list-style-type: none"> <li>- We have evaluated valuation reports issued by an independent valuers for valuation of investments in subsidiary companies and associate. We have verified the valuation reports particularly with reference to underlying assumptions in discussion with external valuers; and</li> <li>- We have also verified the independence and competence of the valuers and scope of the assignments.</li> </ul> <p>We assessed the disclosures made in the standalone financial statements.</p>
<b>2.</b>	<p><b>Valuation of Market Linked Debentures</b> (Refer Note 18 to the standalone financial statements)</p> <p>The Company has significant amount of outstanding Market Linked Debentures (MLDs) as on 31st March, 2022 aggregating ₹ 27,109.69 lakhs. Also, the Company has engaged external experts for valuation of MLDs.</p> <p>We have identified the valuation of and the accounting treatment for MLDs as a key audit matter because the accounting and valuation of MLDs involves a significant degree of management's judgment and external expert's opinion.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- Inspected Board minutes and other appropriate documentation of authorization to assess whether the transactions were appropriately authorized;</li> <li>- Understood the design and implementation of relevant internal controls with respect to MLDs;</li> <li>- Performed necessary audit procedures to test the operating effectiveness of the relevant internal controls with respect to MLDs during the year ended and as of 31st March, 2022;</li> <li>- Verified the terms and condition of the MLDs with the MLDs deed, prospectuses and other supporting documents;</li> <li>- Verified the calculations carried out to separate the derivative component from MLDs;</li> <li>- We examined the valuation report from external experts engaged by the Company to identify the value of derivative element which was assessed by us particularly with reference to underlying assumptions in discussion with external experts; and</li> </ul> <p>We have also verified the independence and competence of the valuers and scope of the assignments.</p>

We have determined the matters described below to be the key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so,

consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the

provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the

Company has adequate internal financial controls system in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Other Matter

The standalone financial statements includes the audited financial statements of one (1) Trust, whose financial statements reflect total assets of ₹ 2,375.97 lakhs as at 31st March, 2022, total revenue

of ₹ 1.42 lakhs for the year ended 31st March, 2022, and net cash outflows of ₹ 11.74 lakhs for the year ended 31st March, 2022, as considered in the standalone financial statements. These audited financial statements have been audited by other auditor and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of this Trust is based solely on such audited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Company.

The annual standalone financial statements for the year ended 31st March, 2021 was audited by another auditor, vide their unmodified audit report dated 22nd June, 2021, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the standalone financial statements.

Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order'), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
  - (e) on the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and

the operating effectiveness of such controls, refer to our separate Report in Annexure 'B';

- (g) with respect to the other matters to be included in the Auditor's Report in accordance with the Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. Further, the Ministry of Corporate Affairs has not prescribed other details under aforesaid section which are required to be commented upon by us.
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
  - (i) the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – (Refer Note 36 to the standalone financial statements);
  - (ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – (Refer Note 5 to the standalone financial statements);
  - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - (iv) (a) the management of the Company has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the standalone financial statements, during the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (the 'Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) the management of the Company has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the standalone financial statements, during the year, no funds have been received by the Company from any person or entity, including foreign entities (the 'Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) based on such audit procedures, we have considered reasonable and appropriate in the circumstances that nothing has come to our

notice that has caused us to believe that the representations under paragraph (a) and (b) above, contain any material misstatement.

- (v) the Company neither declared nor paid dividend during the year. Accordingly, the Company is not required to comply with Section 123 of the Act.

**SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

**Edwin P. Augustine**

Partner  
Membership No. 043385  
UDIN: 22043385AJXETY9858

Mumbai, 30th May, 2022

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

- |  |   |
|--|---|
| <p>(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment;</p> <p style="padding-left: 20px;">(B) The Company is maintaining proper records showing full particulars of intangible assets;</p> <p>(b) According to the information and explanations to us, the Company has a program of physical verification of property, plant and equipment to cover all the items in a phased manner over a period of three years, which, in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No discrepancies were noticed on such physical verification.</p> <p>(c) The title deed of immovable property disclosed in the financial statements is held in the name of the Company.</p> <p>(d) The Company has not revalued any of its property, plant and equipment during the year.</p> | <p>(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the Paragraph 3(i) (e) of the Order is not applicable to the Company.</p> <p>(ii) (a) The Company did not have inventories either at the beginning or at the end of the year. Accordingly, the Paragraph 3(ii)(a) of the Order is not applicable to the Company; and</p> <p>(b) The Company has been sanctioned working capital limits in excess of five crore rupees, during the year, in aggregate from banks and/or financial institutions, on the basis of security of current assets. The quarterly returns/statements are not required to be filed by the Company with such banks and/or financial institutions.</p> <p>(iii) (a) During the year, the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to the following entities:</p> |
|--|---|

Sr No	Particulars	Guarantees	Loans
(₹ in Lakhs)			
<b>1</b>	<b>Aggregate amount granted / provided during the year</b>		
	- Subsidiaries	21,000.00	44,461.05
	- Associates	Nil	15.00
	- Others	Nil	3.00
<b>2</b>	<b>Balance outstanding as at 31st March, 2022 in respect of above cases</b>		
	- Subsidiaries	53,816.80	821.79
	- Associates	Nil	Nil
	- Others	Nil	83.78

- |   |   |
|---|---|
| <p>(b) According to the information and explanations given to us, and the records examined by us, the investments made, and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided by the Company during the year are, prima facia, not prejudicial to the Company's interest;</p> <p>(c) According to the information and explanations given to us, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest in respect of the loans and advances in the nature of loans has been stipulated and the repayments or receipts during the year are regular as per stipulation;</p> <p>(d) According to the information and explanations given to us, in respect of the aforesaid loans and advances in the nature of loans, there is no overdue amount for more than ninety days;</p> | <p>(e) According to the information and explanations given to us, there were no loans or advances in the nature of loan granted which have fallen due during the year, have been renewed or extended. Further, there were no instances of fresh loans being granted to settle the over dues of existing loans given to the same parties; and</p> <p>(f) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the Paragraph 3(iii)(f) of the Order is not applicable to the Company.</p> <p>(iv) The Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.</p> |
|---|---|

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other relevant provisions of the Act and the rules framed thereunder apply. Accordingly, the Paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148 of the Act. Accordingly, the Paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing the undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and any other statutory dues to the appropriate authorities. There are no arrears of outstanding statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable; and
- (b) There are no statutory dues referred to (a) above, which have not been deposited on account of any dispute.
- (viii) There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, the Paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;
- (c) According to the information and explanations given to us, the Company has, prima facie, utilized the money obtained by way of term loans during the year for the purposes for which they were obtained;
- (d) According to the information and explanations given to us and the procedure performed by us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the Company;
- (e) According to the information and explanations given to us, on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate as defined under the Act. The Company does not have a joint venture; and
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate as defined under the Act. The Company does not have a joint venture.
- (x) (a) According to the information and explanations given to us, we report that the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the Paragraph 3(x)(a) of the Order is not applicable to the Company; and
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the Paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India and we have neither come across any fraud by the Company or any fraud on the Company or reported during the year nor have we been informed of such case by management;
- (b) According to the information and explanations given to us and on the basis of our audit procedures, no report under Section 143(12) of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report; and
- (c) According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) The Company is not a Nidhi Company. Accordingly, the Paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our audit procedures, the Company is in compliance with Sections 177 and 188 of the Act with respect to applicable transaction with the related parties and the relevant details of such related party transactions have been disclosed in the financial statements as required under the applicable Indian Accounting Standards.
- (xiv) (a) According to the information and explanations given to us, the Company has adequate internal audit system commensurate with the size and the nature of its business; and
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.



- (xv) According to the information and explanations given to us and in our opinion, the Company, during the year, has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the provisions of Section 192 of the Act is not applicable. Accordingly, the Paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the Paragraph 3(xvi)(a) of the Order is not applicable to the Company;
- (b) According to the information and explanations given to us and in our opinion, the Company has not conducted Non-Banking Financial or Housing Finance activity. Accordingly, the Paragraph 3(xvi)(b) of the Order is not applicable to the Company;
- (c) According to the information and explanations given to us and in our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India; and
- (d) According to the information and explanations given to us, the Group to which the Company belongs has no CIC as part of the Group.
- (xvii) According to the information and explanations given to us, the Company has incurred cash losses in the current and the immediately preceding financial year amounting to ₹ 2,408.91 lakhs and ₹ 565.50 lakhs respectively.
- (xviii) According to the information and explanations given to us, there has been no resignation of statutory auditors during the year. Accordingly, the Paragraph 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing as at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We, further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to Section 135(5) of the Act. Accordingly, the Paragraph 3(xx)(a) of the Order is not applicable to the Company; and
- (b) There are no unspent amounts towards Corporate Social Responsibility ongoing projects requiring a transfer to a Special account in compliance with the provisions of Section 135(6) of the said Act. Accordingly, the Paragraph 3(xx)(b) of the Order is not applicable to the Company.

**SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

**Edwin P. Augustine**

Partner  
Membership No. 043385  
UDIN: 22043385AJXETY9858

Mumbai, 30th May, 2022

# ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) of our report of even date)

## Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013 (the 'Act')

We have audited the internal financial controls over financial reporting of **Centrum Capital Limited** (the 'Company'), as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

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

## Auditor's Responsibility

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

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

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

## Meaning of internal financial controls over financial reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, 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 issued by the ICAI.

#### SHARP & TANNAN

Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

#### Edwin P. Augustine

Partner  
Membership No. 043385  
UDIN: 22043385AJXETY9858

Mumbai, 30th May, 2022

# Standalone Balance Sheet

as at March 31, 2022

(₹ in Lakhs)

Particulars	Note	As at March 31,2022	As at March 31,2021
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	3	2,022.94	1,014.41
Bank balance other than cash and cash equivalents above	4	1,583.02	4.27
Derivative financial instruments	5	440.73	226.32
Receivables			
- Trade receivables	6	300.61	339.39
- Loans	7	820.46	20,368.17
- Investments	8	1,06,996.77	62,879.91
- Other financial assets	9	115.36	2,795.78
		<b>1,12,279.89</b>	<b>87,628.25</b>
<b>Non-financial assets</b>			
Current tax assets (net)	10	726.31	619.25
Deferred tax assets (net)	11	2,585.23	2,476.48
Property, plant and equipment	12	310.29	389.09
Right-of-Use assets	13	197.41	311.63
Intangible assets	14	9.96	16.67
Other non-financial assets	15	24.13	60.59
		<b>3,853.33</b>	<b>3,873.71</b>
<b>Total Assets</b>		<b>1,16,133.22</b>	<b>91,501.96</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Derivative financial instruments	16	17,497.16	7,499.55
Payables	17		
- Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		62.39	148.34
- Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		6,740.50	4.00
Debt securities	18	27,109.69	23,825.33
Borrowings (other than Debt securities)	19	9,464.78	1,825.87
Other financial liabilities	20	4,820.47	4,474.57
<b>Non-financial liabilities</b>			
Provisions	21	46.15	36.43
Other non-financial liabilities	22	113.17	94.42
		<b>65,854.31</b>	<b>37,908.51</b>
<b>Equity</b>			
Equity share capital	23	4,160.33	4,160.33
Other equity	24	46,118.58	49,433.12
		<b>50,278.91</b>	<b>53,593.45</b>
<b>Total Liabilities and Equity</b>		<b>1,16,133.22</b>	<b>91,501.96</b>

Corporate Information and Significant accounting policies

1-2

The accompanying notes 1 to 52 form an integral part of the standalone financial statements.

As per our report attached

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No. 109982W

by the hand of

**Edwin P. Augustine**

Partner

Membership No.043385

Place : Mumbai

Date : May 30, 2022

For and on behalf of Board of Directors of

**Centrum Capital Limited****Jaspal Singh Bindra**

Executive Chairman

DIN : 00128320

**Sriram Venkatasubramanian**

Chief Financial Officer

**Parthasarathy Iyengar**

Company Secretary

Membership No. A21472

# Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
<b>Revenue from operations</b>			
Sales of services	25	2,808.76	2,640.40
Net gain on fair value changes	26	624.24	406.35
Other operating income		747.31	567.51
<b>Total revenue from operations</b>		<b>4,180.31</b>	<b>3,614.26</b>
<b>Other income</b>	27	2,438.93	1,964.41
<b>Total Income</b>		<b>6,619.24</b>	<b>5,578.67</b>
<b>Expenses</b>			
Finance costs	28	5,875.88	2,877.82
Impairment on financial instruments	29	856.23	24.69
Employee benefits expenses	30	1,986.44	1,681.21
Depreciation and amortisation	31	185.46	217.09
Other expenses	32	1,330.82	1,276.08
<b>Total Expenses</b>		<b>10,234.83</b>	<b>6,076.89</b>
<b>Profit/(Loss) before tax</b>		<b>(3,615.59)</b>	<b>(498.22)</b>
<b>Tax expense :</b>			
- Current tax	33	-	21.63
- Deferred tax charge/(credit)	33	(137.34)	475.39
- Tax adjustments for earlier years		(119.10)	(92.85)
<b>Profit/(Loss) for the year</b>		<b>(3,359.15)</b>	<b>(902.39)</b>
<b>Other Comprehensive Income (OCI)</b>			
i. Items that will not be reclassified to profit or loss			
(a) Change in fair value of equity instruments designated at fair value through OCI		-	(0.68)
(b) Re-measurement of Defined benefit plan		6.18	(28.69)
(c) Income tax relating to items that will not be reclassified to profit or loss		(1.61)	7.46
ii. Items that will be reclassified to profit or loss			
		-	-
<b>Total Other Comprehensive Income (OCI)</b>		<b>4.57</b>	<b>(21.91)</b>
<b>Total Comprehensive Income for the year</b>		<b>(3,354.58)</b>	<b>(924.30)</b>
Earnings per equity share (Face Value ₹ 1 [Previous Year : ₹ 1])	34		
Basic (₹)		(0.81)	(0.22)
Diluted (₹)		(0.81)	(0.22)

Corporate Information and Significant accounting policies 1-2

The accompanying notes 1 to 52 form an integral part of the standalone financial statements

As per our report attached

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No. 109982W

by the hand of

**Edwin P. Augustine**

Partner

Membership No.043385

Place : Mumbai

Date : May 30, 2022

For and on behalf of Board of Directors of

**Centrum Capital Limited**

**Jaspal Singh Bindra**

Executive Chairman

DIN : 00128320

**Sriram Venkatasubramanian**

Chief Financial Officer

**Parthasarathy Iyengar**

Company Secretary

Membership No. A21472

# Standalone Statement of Cash Flows

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash flows from Operating Activities:</b>		
Profit/(Loss) before tax	(3,615.59)	(498.22)
<b>Adjustments for:</b>		
Depreciation and amortisation	185.46	217.09
Loss on sale of property plant and equipment	5.75	0.77
Gain on modification of Right-to-Use/sub-lease	(16.60)	(2.89)
Net gain on fair value changes	(624.24)	(406.35)
Interest income	(2,191.63)	(1,818.97)
Employees stock option provision	13.01	15.53
Dividend income on investments	(6.90)	(38.67)
Impairment on financial instruments (net)	856.23	24.69
Guarantee income	(43.62)	(36.76)
Finance costs	5,875.88	2,877.82
<b>Operating profit before working capital changes</b>	<b>437.75</b>	<b>334.03</b>
<b>Adjustments for :</b>		
Decrease/(Increase) in trade receivables	(0.80)	343.24
Decrease/(Increase) in loans	20,973.23	(12,194.18)
Decrease/(Increase) in other financial assets	1,116.43	3,846.52
Decrease/(Increase) in other non-financial assets	36.47	59.66
Decrease/(Increase) in derivative financial instruments (net)	-	314.76
Decrease/(Increase) in payables	79.96	(709.22)
Decrease/(Increase) in other non-financial liabilities	18.76	(4.49)
Decrease/(Increase) in provisions	9.71	(26.19)
<b>Cash / generated from operating activities</b>	<b>22,671.51</b>	<b>(8,035.87)</b>
Direct taxes paid (net of refunds)	20.96	292.94
<b>Net cash (used in)/ generated from operating activities</b>	<b>22,692.47</b>	<b>(7,742.93)</b>
<b>Cash flows from Investing Activities:</b>		
Purchase of property, plant and equipment	(7.26)	-
Proceeds from sale of property, plant and equipment	0.20	1.26
Sale/(Purchase) of investments (net) *	-	15.00
Investment in subsidiaries during the year	(30,059.85)	(128.09)
Investment in Debentures of subsidiary	(5,934.67)	(500.00)
Investment in Preference shares of subsidiary	-	(500.00)
Investment in Bonds	(2,665.61)	-
Proceeds from sale of Bonds	1,283.96	-
Proceeds from withdrawal of capital from subsidiary LLP	35.00	576.00
Proceeds from subsidiary - ESOP	-	214.45
Investment in Mutual funds	(4,500.00)	-
Proceeds from redemption of mutual funds	4,507.58	-
Sale/(Purchase) of Treasury shares	-	62.50
Investment in private trusts	(372.34)	(220.53)
Interest received on investments	609.47	-
Dividend income on investments	82.10	38.42
<b>Net Cash (used in)/ generated from investing activities</b>	<b>(37,021.42)</b>	<b>(440.99)</b>

# Standalone Statement of Cash Flows

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash flows from Financing Activities:</b>		
Proceeds/(Repayment) of Debt securities (net)*	12,679.38	16,533.29
Proceeds/(Repayment) of Borrowings (other than Debt securities) (net)*	7,764.32	(5,020.98)
Payment of lease liabilities	(120.00)	(150.02)
Finance costs	(4,986.23)	(2,444.11)
<b>Net cash (used in) / generated from financing activities</b>	<b>15,337.47</b>	<b>8,918.18</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,008.52</b>	<b>734.26</b>
<b>Cash and cash equivalents as at the beginning of the year (refer Note below)</b>	<b>1,014.41</b>	<b>280.15</b>
<b>Cash and cash equivalents as at the end of the year (refer Note below)</b>	<b>2,022.94</b>	<b>1,014.41</b>

(\*net figures have been reported on account of volume of transactions).

Notes:

- The above standalone statement of cash flows have been prepared under the 'Indirect method' as set out in Indian Accounting Standard (Ind AS) 7, *Statement of Cash Flows*.
- The disclosures relating to changes in liabilities arising from financing activities (refer Note 39).
- Figures for the previous year have been regrouped wherever necessary.
- Components of cash and cash equivalents:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Cash and cash equivalents at the end of the year</b>		
i) Cash on hand	8.08	8.11
ii) Balances with banks (of the nature of cash and cash equivalents)	2,014.86	998.62
iii) Bank deposits (with original maturity less than three months)	-	7.68
<b>Total</b>	<b>2,022.94</b>	<b>1,014.41</b>

As per our report attached

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No. 109982W

by the hand of

**Edwin P. Augustine**

Partner

Membership No.043385

Place : Mumbai

Date : May 30, 2022

For and on behalf of Board of Directors of

**Centrum Capital Limited**

**Jaspal Singh Bindra**

Executive Chairman

DIN : 00128320

**Sriram Venkatasubramanian**

Chief Financial Officer

**Parthasarathy Iyengar**

Company Secretary

Membership No. A21472

# Standalone Statement of Changes in Equity

for the year ended March 31, 2022

## A. Equity share capital (Equity shares of face value ₹ 1 each issued, subscribed and fully paid) :-

Particulars	Number of Shares	Amount (₹ in Lakhs)
<b>As at April 01, 2020</b>	<b>41,60,32,740</b>	<b>4,160.33</b>
Changes in Equity share capital during the year	-	-
<b>Restated balance at the beginning of the current reporting period</b>	<b>41,60,32,740</b>	<b>4,160.33</b>
Changes in Equity share capital during the year	-	-
<b>As at March 31, 2022</b>	<b>41,60,32,740</b>	<b>4,160.33</b>

## B. Other equity

Particulars	Reserves and Surplus					Equity					
	Money received against share warrants	Capital reserve	Capital Securities premium	Debenture redemption reserve	Treasury shares - Centrum Capital Limited	ESOP Trust reserve	Share option outstanding account	General reserve	Retained earnings	Instruments through Comprehensive Income	Total Other equity
<b>As at April 01, 2020</b>	-	0.00	14,477.74	2,987.00	(2,373.04)	2,387.26	605.08	733.70	31,473.96	(90.72)	50,200.98
Profit/(Loss) for the year	-	-	-	-	-	(10.48)	-	-	(891.91)	-	(902.39)
Other Comprehensive Income/(loss), net of income tax	-	-	-	-	-	-	-	-	(21.23)	(0.68)	(21.91)
<b>Total Comprehensive Income/(loss) for the year</b>	-	-	-	-	-	<b>(10.48)</b>	-	-	<b>(913.14)</b>	<b>(0.68)</b>	<b>(924.30)</b>
Dividend paid on equity shares (including tax thereon)	-	-	-	-	-	-	-	-	-	-	-
Share-based Payment	-	-	-	-	-	-	93.95	-	-	-	93.95
Transfers to General Reserve	-	-	-	(1,245.50)	-	-	(76.95)	1,322.45	-	-	-
Sale of Treasury shares	-	-	-	-	62.50	-	-	-	-	-	62.50
<b>Balance as at March 31, 2021</b>	-	<b>0.00</b>	<b>14,477.74</b>	<b>1,741.50</b>	<b>(2,310.54)</b>	<b>2,376.77</b>	<b>622.08</b>	<b>2,056.15</b>	<b>30,560.82</b>	<b>(91.40)</b>	<b>49,433.12</b>
Profit/(Loss) for the year	-	-	-	-	-	(11.77)	-	-	(3,347.38)	-	(3,359.15)
Other Comprehensive Income/(loss), net of income tax	-	-	-	-	-	-	-	-	4.57	-	4.57



# Standalone Statement of Changes in Equity

for the year ended March 31, 2022

## B. Other equity (Contd..)

(₹ in Lakhs)

Particulars	Reserves and Surplus										Equity	
	Money received against share warrants	Capital reserve	Securities premium	Debt redemption reserve	Treasury shares - Centrum Capital Limited	ESOP Trust reserve	Share option outstanding account	General reserve	Retained earnings	Instruments through Comprehensive Income	Total Other equity	
<b>Total Comprehensive Income/ (loss) for the year</b>	-	-	-	-	-	(11.77)	-	-	(3,342.82)	-	-	(3,354.58)
Dividend paid on equity shares (Including tax thereon)	-	-	-	-	-	-	-	-	-	-	-	-
Share-based Payment	-	-	-	-	-	-	40.01	-	-	-	-	40.01
Transfers to General Reserve	-	-	-	(1,741.50)	-	-	-	1,741.50	-	-	-	-
Sale of Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	-	-	14,477.74	-	(2,310.54)	2,365.00	662.09	3,797.65	27,218.00	(91.40)	46,118.58	

As per our report attached

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No. 109982W  
by the hand of

**Edwin P. Augustine**

Partner

Membership No.043385

**Place : Mumbai**

Date : May 30, 2022

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

**Jaspal Singh Bindra**

Executive Chairman

DIN : 00128320

**Sriram Venkatasubramanian**

Chief Financial Officer

**Parthasarathy Iyengar**

Company Secretary

Membership No. A21472

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

## 1. Corporate Information

Centrum Capital Limited (the 'Company') is a Public Company engaged in Investment Banking and a SEBI Registered Category-I Merchant Banker. The address of its registered office and principal activities of the Company are disclosed in the introduction to the Annual Report. The Equity shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The Company offers a complete gamut of financial services in the areas of equity capital market, private equity, corporate finance, project finance, stressed asset resolution.

### 2.1 Significant accounting policies

#### a. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and the presentation requirements of Schedule III to the act, as amended by the Companies (Accounts) Amendment Rules, 2021 and made effective from 1st April, 2021. As stated in the above notification, the Company has made the disclosures specified in the Schedule III to the Act, to the extent those disclosures are applicable and reportable.

These standalone financial statements have been prepared on a historical cost basis, except for derivative financial instruments and other financial assets held for trading, which have been measured at fair value. The Balance sheet and the Statement of profit and loss are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows. All amounts disclosed in the financial statements and notes are presented in ₹ lakhs and have been rounded off to two decimal as per the requirement of Division III of Schedule III to the Act, unless otherwise stated.

#### b. Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note no 38.

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

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

#### c. Property, plant and equipment (PPE)

PPE are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent costs incurred on an item of PPE is recognised in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognised in profit or loss as incurred. Borrowing costs relating to acquisition of PPE which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Gains or losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of profit and loss when the asset is derecognized.

Depreciation on PPE is provided on straight line method over the useful lives of assets as prescribed in Schedule II of the Act, except for leasehold improvements. Leasehold improvements are amortised over a period of lease or useful life, whichever is less. The residual values, useful lives and method of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

Particulars	Estimated useful life specified under schedule II of the Act
Building	60 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computer - end user devices, such as desktops, Laptops, etc.	3 years

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### d. Intangible assets

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets are amortized on straight line basis over the estimated useful life. The useful lives and method of depreciation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

The Company capitalises computer software and related implementation cost where it is reasonably estimated that the software has an enduring useful life. Software including operating system licenses are amortized over their estimated useful life of 6- 9 years.

### e. Impairment of non-financial assets

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

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

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is 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.

### f. Revenue from operations

Revenue is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in

exchange for transferring promised services to the customer, excluding amounts collected on behalf of third parties. The Company consider the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained.

The Company recognises revenue from the following sources:

Fee income including fees for Advisory, Syndication and other allied services. The right to receive fees is based on milestones defined in accordance with the terms of the contracts entered into between the Company and counterparties which also defines its performance obligation. Fee income are accounted for on an accrual basis.

### g. Recognition of interest and dividend income

#### Interest income

Under Ind AS 109, Financial Instruments, interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

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

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

#### Dividend income

Dividend income is recognised in profit or loss when the Company's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### h. Leases

#### The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

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

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

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

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

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

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

#### The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the RoU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### i. Financial instruments

#### Date of recognition

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

#### Initial measurement of financial instruments

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

#### Classification and subsequent measurement of financial instruments

##### (i) Financial assets :

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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset gives rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. The changes in carrying value of such financial asset is recognised in profit and loss account.

### Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of such financial asset is recognised in Other Comprehensive Income.

### Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting date. The changes in fair value of such financial asset is recognised in Profit and loss account.

### Amortised cost and Effective interest method

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

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

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

hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

### Financial assets held for trading

The Company classifies financial assets as held for trading when they have been acquired primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is pattern of short-term profit. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value.

### Investment in equity instruments of subsidiary, associates and joint ventures

The Company measures all equity investments in subsidiaries and associates at cost as permitted under Ind AS 27, Separate Financial statements, subject to impairment, if any.

### Other equity instruments

The Company subsequently measures all other equity investments at fair value through profit or loss, unless the management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32, *Financial Instruments: Presentation* and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI.

### Impairment of financial assets

The Company records allowance for expected credit losses for all amortised cost financial assets and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109, Financial Instruments.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables.

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

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

The method and significant judgments used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in note 44.

### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the Company also recognizes an associated liability, the transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Company has returned.

### (ii) Financial liabilities and equity :

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

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

All financial liabilities are measured at amortised cost except for financial guarantees and derivative financial liabilities.

### Debt securities and other borrowed funds

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

### Financial guarantee:

Financial guarantees are contracts that requires the Company to make specified payments to the holders to make good the losses incurred arising from default in performance obligation by the borrower.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Derivative contracts (Derivative assets/Derivative liability)

The Company enters into a variety of derivative financial contracts to manage its exposure to market risks including futures and options contracts.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in profit or loss immediately.

### Embedded derivatives

The embedded derivatives are treated as separate derivatives when:

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

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

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

### Treasury Shares

The Company is a sponsor to trusts namely Centrum ESPS Trust. These trusts have been formed exclusively to provide benefits to employees of the Company and its subsidiaries. These trusts have been treated as an extension of the Company for the purpose of these financial statements. Accordingly, the equity shares of the Company held by these trusts have been treated as treasury shares. The amount paid for the treasury shares is deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares.

### Derecognition of financial liabilities

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

### Reclassification of financial assets and financial liabilities

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

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### Write-off policy

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

### j. Fair value measurement

The Company measures financial instruments, such as investments and derivatives at fair values at each Balance Sheet date.

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

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement are derived from directly or indirectly observable market data available

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

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

### k. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, short-term deposits and highly liquid investments with an original maturity of three months or less, which are readily

convertible in cash and subject to insignificant risk of change in value. Bank overdrafts are shown within borrowings in other financial liabilities in the balance sheet.

### l. Borrowing costs

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

### m. Foreign exchange transactions and translations

#### Initial recognition

Transactions in foreign currencies are recognized at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction date.

#### Conversion

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

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Thus, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

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



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### n. Retirement and other employee benefits

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

- (i) Under Payment of Gratuity Act, 1972 'Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year. The Company makes contributions to a scheme administered by the Life Insurance Corporation of India ("LIC") to discharge the gratuity liability to employees. The Company records its gratuity liability based on an actuarial valuation made by an independent actuary as at year end. Contribution made to the LIC fund and provision made for the funded amounts are expensed in the books of accounts.
- (ii) Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit Method.
- (iii) Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent period.

### o. Income tax

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

#### Current tax

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

#### Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the

corresponding tax bases used in the computation of taxable profit.

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

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

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

liabilities, and when they relate to income taxes levied by the same taxation authority, and the Company intends to settle its current tax assets and liabilities on a net basis.

### Minimum alternate tax (MAT)

MAT paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax and thereby utilising MAT credit during the specified period, i.e., the period for which MAT credit is allowed to be carried forward and utilised. In the year in which the company recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

### Current and deferred tax for the year

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

### p. Provisions, contingent liabilities and contingent assets

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

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

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

### q. Earnings per share

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

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

### r. Employee stock option scheme (ESOP)

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

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

### s. Segment reporting

#### Identification of segments

Operating Segments are identified based on monitoring of operating results by the chief operating decision-maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Company. Operating Segment is identified

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

based on the nature of products and services, the different risks and returns, and the internal business reporting system.

### Segment policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

## 2.2 Significant accounting judgments, estimates and assumptions

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

### Critical judgments in applying accounting policies

The following are the critical judgment, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements.

- **Fair value measurement of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation

techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/judgments about these factors could affect the reported fair value of financial instruments.

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

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

- **Business model assessment**

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

- **Income taxes**

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

- **Provisions and contingencies**

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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Employee stock option scheme (ESOP)

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

### Key source of assumptions and estimates

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

### Retirement and other employee benefits

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

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

Further details about gratuity and long term employee benefits obligations are provided in note 35.

### Useful lives of property, plant and equipment:

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

### Effective interest rate

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

## 2.3 Recent Accounting Pronouncements

The following standards / amendments to standards have been issued and will be effective from April 01, 2022. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

- (a) Indian Accounting Standard (Ind AS) 103, Business Combinations – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.
- (b) Indian Accounting Standard (Ind AS) 109, Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.
- (c) Indian Accounting Standard (Ind AS) 16, Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.
- (d) Indian Accounting Standard (Ind AS) 37, Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 3 : CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand including foreign currencies	8.08	8.11
Balances with banks		
In current accounts	2,014.86	999.53
In term deposits with original maturity less than 3 months	-	7.68
(Less): Impairment loss allowance - cash and cash equivalents	-	0.91
<b>TOTAL</b>	<b>2,022.94</b>	<b>1,014.41</b>

### Note 4 : BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
In term deposits	1,578.76	-
<b>Earmarked Balances With Banks</b>		
Unpaid dividend accounts	4.26	4.27
<b>TOTAL</b>	<b>1,583.02</b>	<b>4.27</b>

### Note 5 : DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Index derivatives	440.73	226.32
<b>TOTAL</b>	<b>440.73</b>	<b>226.32</b>

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Company has elected not to apply hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Assets
Index derivatives	228.06	440.73	228.06	226.32
<b>Total</b>	<b>228.06</b>	<b>440.73</b>	<b>228.06</b>	<b>226.32</b>

#### Hedging activities and derivatives :

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 44.

#### Derivatives designated as hedging instruments :

The Company has not designated any derivatives as hedging instruments.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 6 : RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade receivables</b>		
(i) Secured, Undisputed considered good	-	-
(ii) Unsecured, Undisputed considered good	317.42	374.06
Less: Allowance for expected credit loss	16.81	34.68
(iii) Credit impaired	290.10	301.15
Less: Allowance for expected credit loss	290.10	301.15
<b>TOTAL</b>	<b>300.61</b>	<b>339.39</b>

### Note 6(i) : TRADE RECEIVABLES

Neither trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 days.

Trade receivables days past due:

(₹ in Lakhs)

Particulars	Current	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
<b>ECL rate</b>		<b>4.86%</b>	<b>42.35%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	
<b>March 31, 2022</b>	Gross carrying amount	313.71	3.72	38.37	72.51	179.22	607.52
	ECL-Simplified approach	(15.24)	(1.58)	(38.37)	(72.51)	(179.22)	(306.91)
	<b>Net carrying amount</b>	<b>298.47</b>	<b>2.14</b>	-	-	-	<b>300.61</b>
<b>ECL rate</b>		1651.69%	293.80%	100.00%	100.00%	100.00%	
<b>March 31, 2021</b>	Gross carrying amount	306.37	67.70	63.35	95.32	142.49	675.22
	ECL-Simplified approach	(17.49)	(17.19)	(63.35)	(95.32)	(142.49)	(335.83)
	<b>Net carrying amount</b>	<b>288.88</b>	<b>50.51</b>	-	-	-	<b>339.39</b>

Reconciliation of impairment allowance on trade receivables :

(₹ in Lakhs)

Particulars	Amount
<b>Impairment allowance measured as per simplified approach</b>	
<b>Impairment allowance as at April 01, 2020</b>	<b>338.37</b>
Add: Changes in allowances due to	
Net re-measurement of loss allowances	(2.54)
<b>Impairment allowance as at March 31, 2021</b>	<b>335.83</b>
Add: Changes in allowances due to	
Net re-measurement of loss allowances	(28.92)
<b>Impairment allowance as at March 31, 2022</b>	<b>306.91</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 7 : LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A) Loans at amortised cost</b>		
Loans to related parties (Including interest accrued)	821.79	20,402.32
Other Loans and advances	83.78	94.21
<b>Total (A) (Gross)</b>	<b>905.57</b>	<b>20,496.53</b>
Less: Impairment loss allowance	85.11	128.36
<b>Total (A) (Net)</b>	<b>820.46</b>	<b>20,368.17</b>
<b>B)</b>		
(i) Secured by tangible assets	-	-
(ii) Secured by intangible assets	-	-
(iii) Covered by bank/government guarantees	-	-
(iv) Unsecured	905.57	20,496.53
<b>Total (B) (Gross)</b>	<b>905.57</b>	<b>20,496.53</b>
Less: Impairment loss allowance	85.11	128.36
<b>Total (B) (Net)</b>	<b>820.46</b>	<b>20,368.17</b>
<b>C)</b>		
(i) Loans in India		
- Public sector	-	-
- Others	905.33	20,496.29
<b>Total (C) (Gross)</b>	<b>905.33</b>	<b>20,496.29</b>
Less: Impairment loss allowance	85.11	128.36
<b>Total [C (i)] (Net)</b>	<b>820.21</b>	<b>20,367.92</b>
(ii) Loans outside India	0.24	0.24
Less: Impairment loss allowance	-	-
<b>Total [C (ii)] (Net)</b>	<b>0.24</b>	<b>0.24</b>
<b>Total [C (i)+(ii)] (Net)</b>	<b>820.46</b>	<b>20,368.17</b>
<b>Type of Borrower</b>		
Loans to related parties : Subsidiaries		
Amount of loan or advance in the nature of loan outstanding	736.68	20,273.95
Percentage to total loan or advance in the nature of loan outstanding	89.79%	99.54%

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### NOTE 8 : INVESTMENTS

Particulars	As at March 31, 2022					As at March 31, 2021					
	Amortised Cost	At Fair Value			Total	Amortised Cost	At Fair Value			Total	
		Through OCI	Through profit or loss	Sub-total			Others (at cost)	Through OCI	Through profit or loss		Sub-total
(a) Equity Instruments	-	-	-	-	97,104.35	-	-	-	-	60,826.67	60,826.67
-Subsidiaries	-	-	-	-	97,104.35	-	-	-	-	60,826.67	60,826.67
-Others	-	536.54	-	536.54	536.54	-	521.72	521.72	-	-	521.72
(b) Debt securities	-	6,807.25	-	6,807.25	6,807.25	-	-	-	-	-	-
(c) Preference shares	-	891.81	-	891.81	891.81	-	874.85	874.85	-	-	874.85
(d) Units of Mutual funds	-	6.09	-	6.09	6.09	-	5.89	5.89	-	-	5.89
(e) Government and corporate securities	-	1,292.86	-	1,292.86	1,292.86	-	-	-	-	-	-
(f) Units of private equity	-	1,228.94	-	1,228.94	1,228.94	-	650.78	650.78	-	-	650.78
<b>Total Gross (A)</b>	-	<b>10,763.49</b>	-	<b>10,763.49</b>	<b>1,07,867.84</b>	-	<b>2,053.24</b>	<b>2,053.24</b>	-	<b>60,826.67</b>	<b>62,879.91</b>
Investments outside India	-	-	-	-	1,160.05	-	-	-	-	882.85	882.85
Investments in India	-	10,763.49	-	10,763.49	1,06,707.79	-	2053.24	2053.24	-	59,943.82	61,997.06
<b>Total Gross (B)</b>	-	<b>10,763.49</b>	-	<b>10,763.49</b>	<b>1,07,867.84</b>	-	<b>2053.24</b>	<b>2053.24</b>	-	<b>60,826.67</b>	<b>62,879.91</b>
<b>Less : Impairment loss allowance (C)</b>	-	-	-	-	871.07	-	-	-	-	-	-
<b>Total Net D = (A-C)</b>	-	<b>10,763.49</b>	-	<b>10,763.49</b>	<b>1,06,996.77</b>	-	<b>2053.24</b>	<b>2053.24</b>	-	<b>60,826.67</b>	<b>62,879.91</b>

#### Note:

The Company has granted Employee Stock Options (ESOPs) to some employees of subsidiaries. To the extent, the Company has not recovered the cost of such ESOP grants, the same has been added to the carrying value of investment of these subsidiaries

More information on valuation technologies can be found in Note 41

The Company has received dividend ₹ 5.90 Lakhs (March 31, 2021 ₹ 37.42 Lakhs) from its Equity instruments, recorded as dividend income.



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 9 : OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Security deposits</b>	114.37	117.32
Advance for purchase of shares pending transfer	100.00	100.00
Other receivables	0.99	2,688.70
Less: Impairment loss allowance	100.00	110.24
<b>TOTAL</b>	<b>115.36</b>	<b>2,795.78</b>

### Note 10 : CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Income Tax	726.31	619.25
[Net of provision for tax ₹ 7,721.02 Lakhs (Previous Year ₹ 10,667.04 Lakhs)]		
<b>TOTAL</b>	<b>726.31</b>	<b>619.25</b>

### Note 11 : DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
MAT Credit Entitlement (refer Note 33.3)	1,451.48	1,478.46
Deferred tax assets (net) (refer Note 33.3)	1,133.75	998.02
<b>TOTAL</b>	<b>2,585.23</b>	<b>2,476.48</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### NOTE 12 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Leasehold improvement	Building*	Furniture and fixtures	Vehicles	Office equipment	Computers hardware	Air conditioners	Total
<b>Gross block- at cost</b>								
<b>As at April 01, 2020</b>	-	7.85	90.92	417.26	107.32	37.62	11.95	672.93
Additions during the year	-	-	-	-	-	-	-	-
Disposals/adjustments/ deductions	-	-	-	(2.64)	-	-	-	(2.64)
<b>As at March 31, 2021</b>	-	7.85	90.92	414.62	107.32	37.62	11.95	670.29
Additions during the year	-	-	-	-	-	6.43	0.83	7.26
Disposals/adjustments/ deductions	-	-	-	-	-	7.39	-	7.39
<b>As at March 31, 2022</b>	-	7.85	90.92	414.62	107.32	36.67	12.78	670.16
<b>Accumulated Depreciation</b>								
<b>As at April 01, 2020</b>	-	0.36	21.58	97.06	46.80	23.10	3.79	192.71
Additions during the year	-	0.18	9.55	51.07	21.63	5.16	1.51	89.11
Disposals/adjustments/ deductions	-	-	-	(0.61)	-	-	-	(0.61)
<b>As at March 31, 2021</b>	-	0.54	31.13	147.53	68.43	28.26	5.30	281.19
Additions during the year	-	0.18	9.27	50.20	18.01	2.11	0.35	80.13
Disposals/adjustments/ deductions	-	-	-	-	-	1.44	-	1.44
<b>As at March 31, 2022</b>	-	0.72	40.40	197.73	86.44	28.94	5.66	359.88
<b>Net Block</b>								
<b>As at March 31, 2021</b>	-	7.31	59.79	267.09	38.89	9.36	6.65	389.09
<b>As at March 31, 2022</b>	-	7.13	50.52	216.89	20.88	7.73	7.12	310.29

**Note:** \*This relates to property owned by the Company and title deed is clear and is in name of the Company.

### NOTE 13: RIGHT-OF-USE ASSETS

(₹ in Lakhs)

Particulars	Vehicles	Office Premises	Total
<b>As at April 01, 2020</b>	3.14	786.97	790.11
Additions during the year	-	-	-
Disposals/deductions/adjustment	-	(22.56)	(22.56)
<b>As at April 01, 2021</b>	3.14	764.40	767.55
Additions during the year	-	-	-
Disposals/adjustments/deductions	-	-	-
<b>As at March 31, 2022</b>	3.14	764.40	767.55
<b>Accumulated Depreciation</b>			
<b>As at April 01, 2020</b>	3.14	333.20	336.34
Additions during the year	-	121.23	121.23
Disposals/adjustments/deductions	-	(1.65)	(1.65)
<b>As at March 31, 2021</b>	3.14	452.78	455.92
<b>Additions during the year</b>	-	98.63	98.63
Disposals/adjustments/deductions	-	15.59	15.59
<b>As at March 31, 2022</b>	3.14	567.00	570.15
<b>Net Block</b>			
<b>As at March 31, 2021</b>	-	311.63	311.63
<b>As at March 31, 2022</b>	-	197.41	197.41

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### NOTE 14 : OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Computer Software	Total
<b>Gross block- at cost</b>		
<b>As at April 01, 2020</b>	<b>35.32</b>	<b>35.32</b>
Additions during the year	-	-
Disposals/adjustments/deductions	-	-
<b>As at March 31, 2021</b>	<b>35.32</b>	<b>35.32</b>
Additions during the year	-	-
Disposals/adjustments/deductions	-	-
<b>As at March 31, 2022</b>	<b>35.32</b>	<b>35.32</b>
<b>Accumulated Depreciation</b>		
As at April 01, 2020	11.90	11.90
Additions during the year	6.75	6.75
<b>Disposals/adjustments/deductions</b>	<b>-</b>	<b>-</b>
<b>As at March 31, 2021</b>	<b>18.65</b>	<b>18.65</b>
Additions during the year	6.71	6.71
Disposals/adjustments/deductions	-	-
<b>As at March 31, 2022</b>	<b>25.36</b>	<b>25.36</b>
Net book value :	-	-
<b>As at March 31, 2021</b>	<b>16.67</b>	<b>16.67</b>
<b>As at March 31, 2022</b>	<b>9.96</b>	<b>9.96</b>

### Note 15 : OTHER NON-FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	24.13	13.79
Balance with revenue Authorities	-	46.79
<b>TOTAL</b>	<b>24.13</b>	<b>60.59</b>

### Note 16 : DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Embedded derivatives on redeemable market linked debentures	17,497.16	7,499.55
Index Derivatives	-	-
<b>TOTAL</b>	<b>17,497.16</b>	<b>7,499.55</b>

#### Notes:

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Company has elected not to apply hedge accounting requirements.

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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 16 : DERIVATIVE FINANCIAL INSTRUMENTS (Contd..)

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

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Liabilities
Embedded derivatives- market-linked debentures	Not Applicable	17,497.16	Not Applicable	7,499.55
<b>Total derivative financial instruments</b>	-	<b>17,497.16</b>	-	<b>7,499.55</b>

#### Hedging activities and derivatives :

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 44

#### Derivatives designated as hedging instruments :

The Company has not designated any derivatives as hedging instruments.

### Note 17 : PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	62.39	148.34
Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6,740.50	4.00
<b>TOTAL</b>	<b>6,802.89</b>	<b>152.35</b>

Trade payables

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	
<b>March 31, 2022</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	41.69	20.70	-	-	-	62.39
<b>Total</b>	<b>41.69</b>	<b>20.70</b>	-	-	-	<b>62.39</b>
<b>March 31, 2021</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	34.90	113.45	-	-	-	148.34
<b>Total</b>	<b>34.90</b>	<b>113.45</b>	-	-	-	<b>148.34</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 17 : PAYABLES (Contd..)

Other payables

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	
<b>March 31, 2022</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	-	6,740.50	-	-	-	6,740.50
<b>Total</b>	-	<b>6,740.50</b>	-	-	-	<b>6,740.50</b>
<b>March 31, 2021</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	4.00	-	-	-	-	4.00
<b>Total</b>	<b>4.00</b>	-	-	-	-	<b>4.00</b>

### Note 18 : DEBT SECURITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>At amortised costs</b>		
Redeemable non-convertible market-linked debentures (Secured)		
(i) Privately Placed (Unlisted)	18,506.76	8,254.97
(ii) Privately Placed (Listed)	8,602.93	15,570.36
<b>TOTAL (A)</b>	<b>27,109.69</b>	<b>23,825.33</b>
Debt securities in India	27,109.69	23,825.33
Debt securities outside India	-	-
<b>TOTAL (B)</b>	<b>27,109.69</b>	<b>23,825.33</b>

Note : There is no debt security measured at FVTPL or designated FVTPL

### Terms of repayment

(₹ in Lakhs)

Redeemable at par/premium (from date of the Balance Sheet)*	Privately placed unlisted redeemable non-convertible debentures of ₹ 1 lakh each**		Privately placed listed redeemable non-convertible debentures of ₹ 1 lakh each***	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Maturing between 48 to 60 months	-	-	-	-
Maturing between 36 to 48 months	8,631.18	2,747.28	-	-
Maturing between 24 to 36 months	9,875.58	-	-	3,983.64
Maturing between 12 to 24 months	-	-	3,983.64	4,619.29
Maturing upto within 12 months	-	5,507.69	4,619.29	6,967.43
<b>Total</b>	<b>18,506.76</b>	<b>8,254.97</b>	<b>8,602.93</b>	<b>15,570.36</b>

### Nature of Security

\*The above mentioned debentures are secured, unlisted and listed, rated and unrated, non-convertible, principal protected, market-linked debentures carrying variable interest rate which is linked to performance of specified indices over the tenure of the debentures. Hence, the interest rate/range cannot be ascertained.

\*\*Secured by first pari passu floating charge created on present and future business receivables and investments upto 100% of the value of debenture and also Secured by pari passu charge on 13,449,542 Number of equity shares of Centrum Retail Services Limited (a subsidiary of the Company) held by Centrum Capital Limited.

\*\*\*Secured by i) Pari passu mortgage to be created over leasehold rights (to the extent of 210 sq ft of total sq ft of leasehold rights) in relation to leasehold property of Centrum Financial Services Limited (subsidiary company) located at, and (ii) 76,99,542 Number of equity shares of Centrum Retail Services Limited (a subsidiary of the Company) held by Centrum Capital Limited.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 19 : BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>At amortised cost</b>		
<b>a) Term loan</b>		
<b>(i) Secured</b>		
- from banks	54.70	118.68
- from others	5.30	10.00
<b>b) Loan repayable on demand</b>		
<b>(i) Secured</b>		
- from banks	-	-
<b>c) Loan from related parties</b>		
<b>(i) Unsecured</b>	6,335.00	25.00
<b>d) Other loans and advances</b>		
<b>(i) Unsecured</b>		
- Inter-corporate deposits (ICD'S) other than related parties	2,853.08	1,330.08
<b>e) Lease liabilities (refer Note 40 )</b>	216.71	342.11
<b>Total (A)</b>	<b>9,464.78</b>	<b>1,825.87</b>
Borrowings in India	9,464.78	1,825.87
Borrowings outside India	-	-
<b>Total (B)</b>	<b>9,464.78</b>	<b>1,825.87</b>

Note : There is no borrowings measured at FVTPL or designated at FVTPL

The borrowings have not been guaranteed by directors or others. Further, the Company has not defaulted in repayment of principal and interest and also has used the borrowings from banks and financial institutions for the specific purpose for which it was taken, there is no deviation of any form. The Company has never been declared as a wilful defaulter by any bank .

#### a) Details of Term loans from banks :

##### Terms of repayment in installments from banks

Tenure from Balance Sheet date	Interest rate range	Repayments details	As at March 31, 2022	Repayments details	As at March 31, 2021
Maturing between 48 to 60 months		-	-	-	-
Maturing between 36 to 48 months		-	-	-	-
Maturing between 24 to 36 months		-	-	These are repayable in 8 monthly equated periodic installments	9.04
Maturing between 12 to 24 months	6.90 % to 8.90%	These are repayable in 8 monthly equated periodic installments	9	These are repayable in 22 monthly equated periodic installments	45.66
Maturing upto within 12 months		These are repayable in 22 monthly equated periodic installments	46	These are repayable in 36 monthly equated periodic installments	63.98
<b>Total</b>			<b>54.70</b>		<b>118.68</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 19 : BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd..)

Terms of repayment in installments from others

Tenure from Balance Sheet date	Interest rate range	Repayments details	As at March 31, 2022	Repayments details	As at March 31, 2021
Maturing between 48 to 60 months		-	-	-	-
Maturing between 36 to 48 months		-	-	These are repayable in 2 monthly equated periodic installments	-
Maturing between 24 to 36 months		-	-	These are repayable in 12 monthly equated periodic installments	0.81
	7.67 % to 10.43%				
Maturing between 12 to 24 months		These are repayable in 2 monthly equated periodic installments	0.80	These are repayable in 14 monthly equated periodic installments	4.50
Maturing upto within 12 months		These are repayable in 12 monthly equated periodic installments	4.50	These are repayable in 24 monthly equated periodic installments	4.70
<b>Total</b>		-	<b>5.30</b>	-	<b>10.00</b>

Nature of security of term loans from bank and others

The term loans are specifically vehicle loans and are secured against hypothecation of vehicles purchased there against

#### b) Loan repayable on demand :

Terms of repayment in installments from banks

(₹ in Lakhs)

Particulars	Interest rate range		Repayments details	Amount	
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021
Secured by hypothecation of specific assets covered under hypothecation loan agreements	4.4% to 8.5%	-	Repayable on demand	-	-
<b>Total</b>				-	-

#### c) Loan from related parties:

Terms of repayment

(₹ in Lakhs)

Particulars	Interest rate range		Repayments details	Amount	
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021
Unsecured loan from related parties	-	-	Repayable on demand	25.00	25.00
Unsecured loan from related parties	13%	-	Maturing upto within 12 months	6,310.00	-
<b>Total</b>				<b>6,335.00</b>	<b>25.00</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 19 : BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd..)

#### d) Other loans and advances :

Terms of repayment in installments from others

(₹ in Lakhs)

Tenure from Balance Sheet date	Interest rate range	Repayments details	Amount	
			As at March 31, 2022	As at March 31, 2021
Maturing between 48 to 60 months			315.08	315.08
Maturing between 36 to 48 months	For March 31, 2022 10% to 12% For March 31, 2021 10% to 12%	These are repayable on maturity as per terms	-	-
Maturing between 24 to 36 months			-	-
Maturing between 12 to 24 months			-	-
Maturing upto within 12 months			2,538.00	1,015.00
<b>Total</b>			<b>2,853.08</b>	<b>1,330.08</b>

### Note 20 : OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on borrowings (other than debt instruments)	209.22	154.88
Interest accrued on debt instruments	4,537.38	4,247.48
Unpaid dividend*	4.26	4.27
Guarantee obligation	69.61	67.94
<b>TOTAL</b>	<b>4,820.47</b>	<b>4,474.57</b>

\*There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Act as at the year end.

### Note 21 : PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Employee Benefits		
Gratuity (refer Note 35)	11.05	4.36
Compensated Absences	35.09	32.07
<b>TOTAL</b>	<b>46.15</b>	<b>36.43</b>

### Note 22 : OTHER NON-FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Dues Payable	107.75	85.67
Advance received from customers	5.42	8.75
<b>TOTAL</b>	<b>113.17</b>	<b>94.42</b>



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 23 : EQUITY SHARE CAPITAL

#### 23.1 Details of Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
<b>Authorised shares</b>				
Equity shares of ₹ 1 each	75,00,00,000	7,500.00	75,00,00,000	7,500.00
Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 1 each fully paid up	41,60,32,740	4,160.33	41,60,32,740	4,160.33
<b>Total Equity</b>	<b>41,60,32,740</b>	<b>4,160.33</b>	<b>41,60,32,740</b>	<b>4,160.33</b>

#### 23.2 Terms and rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. The Company has not declared/ proposed any dividend in the current year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### 23.3 Reconciliation of the number of Equity shares and of Equity share capital amount outstanding at the beginning and at the end of the year

Particulars	Number of Shares	₹ in Lakhs
<b>As at April 01, 2020</b>	<b>41,60,32,740</b>	<b>4,160.33</b>
Issued during the year	-	-
<b>As at March 31, 2021</b>	<b>41,60,32,740</b>	<b>4,160.33</b>
Issued during the year	-	-
<b>As at March 31, 2022</b>	<b>41,60,32,740</b>	<b>4,160.33</b>

#### 23.4 Details of Equity shareholders holding more than 5% shares in the company

Equity shareholders	As at March 31,2022		As at March 31,2021	
	Number of Shares	% holding	Number of Shares	% holding
Businessmatch Services (India) Private Limited	13,43,99,041	32.30	13,43,99,041	32.30
JBCG Advisory Services Private Limited	2,33,38,537	5.61	2,33,38,537	5.61
Kaikobad Byramjee & Son Agency Private Limited	5,40,18,000	12.98	5,40,18,000	12.98

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 23 : EQUITY SHARE CAPITAL (Contd..)

#### 23.5 Details of Promoter's shareholdings

Equity shareholders	As at March 31, 2022			As at March 31, 2021		
	Number of Shares	% holding	% of change during the year	Number of Shares	% holding	% of change during the year
Businessmatch Services (India) Private Limited	13,43,99,041	32.30	0.00	13,43,99,041	32.30	0.00
JBCG Advisory Services Private Limited	2,33,38,537	5.61	0.00	2,33,38,537	5.61	15.43
BG Advisory Services LLP	10,18,000	0.24	0.00	10,18,000	0.24	-75.26

#### 23.6 Shares reserved for issue under Employee Stock Option Scheme

Information relating to the Centrum Capital Limited Employee Stock Option Scheme (ESOS), including details regarding options issued, exercised and lapsed during the year and options outstanding at the end of the reporting period is set out in note 42.

### Note 24 : OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital reserve (Gift of 5,25,000 equity shares of Rap Media Limited)	0.00	0.00
Security premium	14,477.74	14,477.74
Debenture redemption reserve	-	1,741.50
Treasury shares	(2,310.54)	(2,310.54)
ESOP Trust reserve	2,365.00	2,376.77
Share options outstanding account	662.09	622.08
General reserve	3,797.65	2,056.15
Equity instruments through Other Comprehensive Income	(91.40)	(91.40)
Retained earnings	27,218.00	30,560.82
<b>Total</b>	<b>46118.56</b>	<b>49,433.12</b>

#### 24.1 Nature and purpose of other equity

##### Capital reserve

Capital reserve is created due to gift of 525,000 equity shares of Rap Media Limited.

##### Security premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

##### Debenture redemption reserve

The Companies Act, 2013 requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Company is required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On completion of redemption, the reserve is transferred to General reserves

##### Share options outstanding account

The Employee stock options outstanding represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the Statement of profit and loss in respect of equity-settled share options granted to the eligible employees of the Company and its subsidiaries in pursuance of the Employee Stock Option Plan.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 24 : OTHER EQUITY (Contd..)

#### General reserve

General reserve is a free reserve available for distribution subject to compliance with the Companies (Declaration and Payment of Dividend) Rules, 2014.

#### Equity instruments through Other Comprehensive Income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings then the relevant equity securities are derecognised.

#### Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

#### Other comprehensive income

This represents equity instruments carried at fair value through OCI and re-measurement of employee benefits (gratuity and post retirement benefits)

### Note 25 : SALES OF SERVICES

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Syndication, commission and brokerage	2,808.76	2,640.40
<b>Total</b>	<b>2,808.76</b>	<b>2,640.40</b>

#### Other Ind AS 115 disclosures- Revenue from contract with customers

Set out below is the disaggregation of the revenue from contracts with customers

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Syndication, commission and brokerage	2,808.76	2,640.40
<b>Total revenue from contracts with customers :</b>	<b>2,808.76</b>	<b>2,640.40</b>
<b>Geographical markets</b>		
India	2,682.32	2,564.92
Outside India	126.45	75.48
<b>Total revenue from contracts with customers</b>	<b>2,808.76</b>	<b>2,640.40</b>
Timing of revenue recognition :		
Services transferred at point in time	2,808.76	2,640.40
Services transferred overtime	-	-
<b>Total revenue from contracts with customers</b>	<b>2,808.76</b>	<b>2,640.40</b>

Note : The Company satisfies its performance obligations on completion of service with regards to investment banking, advisory and other fees. The payments on these contracts is due on completion of service, the contracts do not contain significant financing components and the consideration is not variable.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 26 : NET GAIN/(LOSS) ON FAIR VALUE CHANGES

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A) Net gain /(loss) on financial instruments at FVTPL		
i) On trading portfolio		
- Investment - In Bonds	(18.96)	1.52
ii) On Non-trading portfolio		
- Equity shares	14.83	258.35
- Preference shares	92.17	42.16
- Compulsory convertible debentures	322.57	125.00
- Mutual funds	7.78	0.61
- Units of Private Equity/Funds	205.86	(21.29)
<b>B) Total Net gain on fair value changes</b>	<b>624.24</b>	<b>406.35</b>
Fair value changes :		
- Realised	88.57	130.90
- Unrealised	535.66	275.45
<b>C) Total Net gain on financial instruments at FVTPL (B=C)</b>	<b>624.24</b>	<b>406.35</b>

### Note 27 : OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On financial assets measured at amortised cost		
- Interest on loans	1,416.23	1,550.67
- Interest on deposits with banks	65.79	0.83
- Other interest income	4.51	26.70
On financial assets measured at fair value through profit or loss		
- Interest income on financial assets	610.47	24.67
Interest on income tax refund	95.63	217.36
Rental income	3.60	1.80
Dividend on Equity shares	5.90	37.42
Foreign exchange gain (net)	0.45	-
Gain on modification of leases	16.60	2.89
Guarantee income	43.62	36.76
Miscellaneous income	176.13	65.32
<b>Total</b>	<b>2,438.93</b>	<b>1,964.41</b>

### Note 28 : FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>On financial liabilities measured at amortised cost:</b>		
Interest on debt securities	4,873.44	2,387.05
Interest on borrowings (other than debt securities)	834.30	432.82
Interest on lease liabilities (refer Note 40)	26.80	56.09
Other interest expenses	128.63	1.87
Other borrowing costs	12.71	-
<b>Total</b>	<b>5,875.88</b>	<b>2,877.82</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 29 : IMPAIRMENT ON FINANCIAL INSTRUMNETS

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Impairment on financial instruments measured at cost</b>		
Impairment on investments	871.07	-
<b>Impairment on financial instruments measured at amortised cost</b>		
Impairment on trade receivables/ write off	39.57	12.88
Impairment on other receivables	(54.41)	11.81
<b>Total</b>	<b>856.23</b>	<b>24.69</b>

### Note 30 : EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and bonus	1,874.34	1,574.38
Contribution to provident and other funds	63.79	80.42
Share-based Payment (refer Note 42)	13.01	15.53
Gratuity (refer Note 35)	13.38	10.22
Staff welfare expenses	21.92	0.66
<b>Total</b>	<b>1,986.44</b>	<b>1,681.21</b>

### Note 31 : DEPRECIATION AND AMORTISATION

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment (refer Note 12)	80.12	89.11
Depreciation on Right-of-Use assets (refer Note 13)	98.63	121.23
Amortisation of intangible assets (refer Note 14)	6.71	6.75
<b>Total</b>	<b>185.46</b>	<b>217.09</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 32 : OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	146.43	125.90
Rates and taxes	1.23	2.42
Energy Costs	14.69	10.33
Repair and maintenance	2.10	5.50
Insurance	16.26	21.57
Advertisement and publicity	1.77	1.55
Computer and software expenses	0.87	2.25
Business promotion expenses	124.71	38.14
Subscription and membership fees	17.49	19.15
Commission and brokerage	47.74	32.11
Travelling and conveyance	59.84	27.14
Vehicle expenses	93.64	76.36
Communication costs	18.00	17.07
Printing and stationery	5.70	4.36
Legal and professional charges	588.04	696.91
Office expenses	53.69	69.55
Director's sitting fees	72.50	69.30
Loss on sale of property, plant and equipment	-	0.77
Auditors remuneration (refer Note 32.1)	38.34	36.58
Miscellaneous expenses	27.78	19.12
<b>Total</b>	<b>1,330.82</b>	<b>1,276.08</b>

### NOTE 32.1 : AUDITORS REMUNERATION

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Statutory audit fees	21.00	21.00
Other services	12.00	12.00
Certification work	3.25	3.25
Out-of-pocket expenses	2.09	0.33
<b>Total</b>	<b>38.34</b>	<b>36.58</b>

### Note 33 : INCOME TAXES

#### 33.1 The components of income tax expense for the year ended March 31, 2022 and year ended March 31, 2021

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	-	21.63
Adjustment in respect of current income tax of prior years	(119.10)	(92.85)
Deferred tax relating to origination and reversal of temporary differences	(137.34)	475.39
<b>Income tax expense reported in statement of profit and loss</b>	<b>(256.44)</b>	<b>404.18</b>
Current Tax	(119.10)	(71.22)
Deferred Tax	(137.34)	475.39

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 33 : INCOME TAXES (Contd..)

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Income tax recognised in Other Comprehensive Income (OCI)</b>		
Deferred tax related to items recognised in OCI during the year:		
- Fair value changes on equity instruments through OCI	-	-
- Remeasurement of defined benefit plans	(1.61)	7.46
<b>Income tax charged to OCI</b>	<b>(1.61)</b>	<b>7.46</b>

#### 33.2 Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2022 and March 31, 2021 is, as follows:

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax	(3,615.59)	(498.22)
Applicable Statutory Enacted income Tax Rate	26.00%	26.00%
Computed Tax Expense	(940.05)	(129.54)
<b>Increase/(reduction) in Taxes on account of</b>		
<b>Items (Net) not deductible for Tax/not Liable to tax</b>		
Unabsorbed depreciation/ business loss	802.71	275.95
<b>Income not subject to tax or chargeable at lower rate</b>		
Dividend Income		5.80
Capital receipt (net)		18.75
MAT Credit Entitlement	-	326.06
<b>Tax expense relating to earlier years (net)</b>	<b>(119.10)</b>	<b>(92.85)</b>
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>(256.44)</b>	<b>404.18</b>
Effective tax rate	3.80%	-99.76%

#### 33.3 Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expenses

	(₹ in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax assets</b>		
Expenses allowable under section 43B of the Income Tax Act, 1961 on payment basis	192.61	204.46
Impairment allowance for financial assets	667.04	530.39
Fair valuation of financial instruments	16.31	149.59
Property, plant and equipment	114.39	112.72
Employee benefit obligations	17.51	9.47
MAT credit entitlement	1,451.48	1,478.46
Others	125.91	6.67
<b>Deferred tax assets (A)</b>	<b>2,585.23</b>	<b>2,491.76</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 33 : INCOME TAXES (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax liabilities</b>		
Fair valuation of financial instruments	-	-
Others	-	15.29
<b>Deferred tax liabilities (B)</b>	-	<b>15.29</b>
<b>Deferred tax assets (net) [(A)- (B)]</b>	<b>2,585.23</b>	<b>2,476.48</b>

(₹ in Lakhs)

Equity shareholders	Year ended March 31, 2022		Year ended March 31, 2021	
	Income Statement	OCI	Income Statement	OCI
<b>Deferred tax assets</b>				
Expenses allocable under section 43B of the Income Tax Act, 1961 on payment basis	11.86	-	46.88	-
Impairment allowance for financial assets	(136.64)	-	44.67	-
Fair valuation of financial instruments	133.28	-	(24.69)	-
Property, plant and equipment	(1.67)	-	69.24	-
Employee benefit obligations	(9.64)	1.61	(9.65)	(7.46)
MAT credit entitlement	26.97	-	326.06	-
Others	(119.24)	-	22.88	-
<b>Deferred tax assets (A)</b>	<b>(95.08)</b>	<b>1.61</b>	<b>475.39</b>	<b>(7.46)</b>
<b>Deferred tax liabilities</b>				
Others	15.29	-	-	-
Deferred tax liabilities (B)	15.29	-	-	-
<b>Total (net) [(A)- (B)]</b>	<b>(110.37)</b>	<b>1.61</b>	<b>475.39</b>	<b>(7.46)</b>

### Note 34: EARNINGS PER SHARE (EPS)

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit attributable to ordinary equity holders (A)	(3,359.15)	(902.39)
Weighted average number of equity shares for basic EPS (B)	41,60,32,740	41,60,32,740
Weighted average number of equity shares for diluted EPS (C)	41,60,32,740	41,60,32,740
Basic earnings per equity share (face value of ₹ 1 per share) (A/B)	(0.81)	(0.22)
Diluted earnings per equity share (face value of ₹ 1 per share) (A/C)	(0.81)	(0.22)



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 35: EMPLOYEE BENEFIT PLANS

#### 35.1 Defined contribution plans

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees. The Company makes Provident Fund contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes:

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provident fund	63.79	80.42

#### 35.2 Defined benefit plans

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

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

##### Net assets/(liability) recognised in the Balance Sheet

	(₹ in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	(178.28)	(167.05)
Fair value of plan assets	167.22	162.70
<b>Defined Benefit obligation asset/(liability)</b>	<b>(11.05)</b>	<b>(4.36)</b>

##### Net benefit expense recognised in statement of profit and loss

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	13.10	12.49
Past service cost	-	-
Net Interest on net defined benefit liability/ (asset)	0.28	(2.27)
<b>Net benefit expense</b>	<b>13.38</b>	<b>10.22</b>

##### Remeasurement gain/ (loss) in Other Comprehensive Income (OCI)

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Re-measurements on defined benefit obligation		
Actuarial gain/(loss) arising from changes in demographic assumptions	(0.11)	-
Actuarial gain/(loss) arising from changes in financial assumptions	-	-
Actuarial gain/(loss) arising from experience over the past years	2.56	23.80

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 35: EMPLOYEE BENEFIT PLANS (Contd..)

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Re-measurements on plan assets		
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(8.75)	4.89
<b>Actuarial gain /(loss) (through OCI)</b>	<b>(6.29)</b>	<b>28.69</b>

Details of changes in present value of defined benefit obligations as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation at the beginning of the year	167.05	142.16
Current service cost	13.10	12.49
Past Service Cost	-	-
Interest cost on benefit obligations	10.84	9.33
Re-measurements:	-	-
a. Actuarial loss/(gain) arising from changes in demographic assumptions	-	-
b. Actuarial loss/ (gain) arising from changes in financial assumptions	10.40	0.55
c. Actuarial loss/ (gain) arising from experience over the past years	(7.73)	23.25
Benefits paid	(15.28)	(20.71)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>178.38</b>	<b>167.05</b>

Details of changes in fair value of plan assets are as follows: -

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	162.70	176.71
Interest income on plan assets	9.80	11.59
Employer contributions	1.26	-
Benefits paid	(15.28)	(20.71)
Re-measurements:	-	-
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	8.75	(4.89)
<b>Fair value of plan assets as at the end of the year</b>	<b>167.22</b>	<b>162.70</b>

### 35.3 Defined benefit plans assets

(₹ in Lakhs)

Category of assets (% allocation)	As at March 31, 2022	As at March 31, 2021
- Government securities	-	-
- Insurance fund	167.22	162.70
<b>Total</b>	<b>167.22</b>	<b>162.70</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 35: EMPLOYEE BENEFIT PLANS (Contd..)

**35.4 The principal assumptions used in determining gratuity obligations for the Company's plans are shown below :**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Expected return on plan assets	6.70%	6.49%
Rate of discounting	6.70%	6.49%
Rate of salary increase	8.00%	0.00% p.a. for the next 1 years, 6.26% p.a. for the next 1 years, starting from the 2nd year & 5.00% p.a. thereafter, starting from the 3rd year
Rate of employee turnover	10.00%	10.00%
Mortality rate during employment	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2006-08)
Mortality rate after employment	N.A.	N.A.

**35.5 Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as follows**

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
One percentage point increase in discount rate	(8.02)	(7.48)
One percentage point decrease in discount rate	8.92	8.32
One percentage point increase in salary growth rate	3.91	5.21
One percentage point decrease in salary growth rate	(4.12)	(4.26)
One percentage point increase in employee turnover rate	0.90	1.26
One percentage point decrease in employee turnover rate	(1.02)	(1.40)

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

**35.6 Maturity profile of defined benefit obligation are as follows**

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1st Following Year	37.40	37.08
2nd Following Year	16.33	15.93
3rd Following Year	16.32	14.99
4th Following Year	27.98	14.80
5th Following Year	24.34	25.06
Sum of Years 6 to 10	56.04	62.59
Sum of Years 11 and above	86.02	73.19

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 36 : CONTINGENT LIABILITIES AND COMMITMENTS

#### 36.1 Contingent Liabilities

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Corporate guarantees given by the Company* :		
- Subsidiary	1,01,277.32	1,04,252.32

\*Out of above, loan availed ₹ 78,568.86 (Previous year ₹ 83,298.03 Lakhs) and out of these outstanding loan amount stands to ₹ 53,816.80 (Previous year ₹ 63,552.75 Lakhs)\*

#### 36.2 Commitments not provided for

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Capital Commitments	-	-

### Note 37: CAPITAL MANAGEMENT

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

#### Capital Management

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

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

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

### NOTE 38: MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

(₹ in Lakhs)

Particulars	As at March 31,2022			As at March 31,2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	2,022.94	-	2,022.94	1,014.41	-	1,014.41
Bank balance other than cash and cash equivalents above	1,583.02	-	1,583.02	4.27	-	4.27
Derivative Financial Instruments	413.51	27.23	440.73	-	226.32	226.32
Receivables -trade	300.61	-	300.61	339.39	-	339.39
Loans	820.46	-	820.46	20,368.17	-	20,368.17
Investments	1,298.94	1,05,697.83	1,06,996.77	5.89	62874.02	62,879.91
Other financial assets	0.99	114.37	115.36	2,739.71	56.07	2,795.78

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### NOTE 38: MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Non-financial assets</b>						
Current tax assets (net)	-	726.31	726.31	-	619.25	619.25
Deferred tax assets (net)	-	2,585.23	2,585.23	-	2,476.48	2,476.48
Property, plant and equipment	-	310.29	310.29	-	389.09	389.09
Right-of-Use assets	-	197.41	197.41	99.27	212.35	311.63
Other intangible assets	-	9.96	9.96	-	16.67	16.67
Other non-financial assets	17.24	6.88	24.13	60.59		60.59
<b>Total assets</b>	<b>6,457.71</b>	<b>1,09,675.51</b>	<b>1,16,133.22</b>	<b>25,153.41</b>	<b>66,348.53</b>	<b>91,501.96</b>
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Derivative financial instruments	1,458.05	16,039.11	17,497.16	3,456.88	4,042.68	7,499.55
Payables						
Trade payables	62.39	-	62.39	148.34	-	148.34
Other payables	6,740.50	-	6,740.50	4.00	-	4.00
Debt securities	4,619.29	22,490.40	27,109.69	12,475.12	11,350.21	23,825.33
Borrowings (other than Debt securities)	9,043.16	421.63	9,464.78	1,231.09	594.79	1,825.87
Other financial liabilities	1,299.83	3,520.64	4,820.47	3,566.40	908.15	4,474.57
<b>Non-financial liabilities</b>						
Provisions	17.32	28.83	46.15	10.62	25.81	36.43
Other non-financial liabilities	113.17	-	113.17	94.42	-	94.42
<b>Total liabilities</b>	<b>23,353.71</b>	<b>42,500.60</b>	<b>65,854.31</b>	<b>20,986.87</b>	<b>16,921.64</b>	<b>37,908.51</b>
<b>Net</b>	<b>(16,896.00)</b>	<b>67,174.91</b>	<b>50,278.91</b>	<b>4,166.54</b>	<b>49,426.89</b>	<b>53,593.45</b>

Note :The Company in addition to generating operating income from merchant banking activities, is also a holding Company of profitable subsidiaries involved in diversified businesses and receives dividend distribution at regular interval and will be comfortably able to meet it's obligations at all points of time.

### NOTE 39: CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in Lakhs)

Particulars	As at April 1, 2021	Cash flows (net)	Changes in fair value	Others	As at March 31, 2022
Debt securities including accrued interest thereon	28,072.81	(925.33)	-	4,499.51	31,646.98
Borrowings other than debt securities including accrued interest thereon	1,980.75	6,902.24		791.02	9,674.01
<b>Total liabilities from financing activities</b>	<b>30,053.56</b>	<b>5,976.91</b>	<b>-</b>	<b>5,290.53</b>	<b>41,321.00</b>

Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 40: LEASES

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Following are the changes in the carrying value of Right-of-Use assets:

(₹ in Lakhs)

Particulars	Category of RoU asset		Total
	Vehicle	Office premises	
<b>As at April 1, 2021</b>			
Gross carrying amount			
Opening gross carrying amount	3.14	764.40	767.55
Additions	-	-	-
Disposals and transfers	-	-	-
<b>Closing gross carrying amount</b>	<b>3.14</b>	<b>764.40</b>	<b>767.55</b>
<b>Accumulated depreciation</b>			
<b>As at April 1, 2021</b>	<b>3.14</b>	<b>452.78</b>	<b>455.92</b>
Depreciation charge during the year	-	98.63	98.63
Disposals and transfers	-	(15.59)	(15.59)
<b>Closing accumulated depreciation</b>	<b>3.14</b>	<b>535.82</b>	<b>538.96</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>-</b>	<b>228.58</b>	<b>228.58</b>

The aggregate depreciation expense on Right-of-Use assets is included under depreciation and amortisation expenses in the Statement of profit and loss. The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 10%.

The following is the movement in lease liabilities:

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance as at beginning	342.11	1,067.19
Additions	-	-
Finance cost accrued during the period	26.79	56.09
Deletions	(32.19)	(610.04)
Payment of lease liabilities	(120.00)	(171.13)
<b>Balance as at end</b>	<b>216.71</b>	<b>342.11</b>

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

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
upto 3 months	30.00	30.60
3 to 6 months	30.00	30.60
6 to 12 months	60.00	61.20
1 year to 3 year	120.00	276.00
More than 3 years	0.00	0.00
<b>Total</b>	<b>240.00</b>	<b>398.40</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹ 120 lakhs and ₹ 125.90 lakhs for the year ended March 31, 2022 and March 31, 2021 respectively. There are no rental expense recorded for low-value assets or for any of variable lease payments for any of the reporting year.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 41 : FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

#### 41.1 Financial Instrument by Category

Particulars	As at March 31, 2022					As at March 31, 2021						
	FVTPL	FVOCI	Amortised Cost		Others*	Total	FVTPL	FVOCI	Amortised Cost		Others*	Total
<b>Financial Asset</b>												
Cash and cash equivalents	-	-	2,022.94	-	-	2,022.94	-	-	1,014.41	-	-	1,014.41
Bank balance other than cash and cash equivalents above	-	-	1,583.02	-	-	1,583.02	-	-	4.27	-	-	4.27
Derivative financial instruments	440.73	-	-	-	-	440.73	226.32	-	-	-	-	226.32
Trade receivables	-	-	300.61	-	-	300.61	-	-	339.39	-	-	339.39
Loans	-	-	820.46	-	-	820.46	-	-	20,368.17	-	-	20,368.17
Investments												
- Equity shares of subsidiaries	-	-	-	-	97,104.35	97,104.35	-	-	-	-	60,826.67	60,826.67
- Other equity investments	536.54	-	-	-	-	536.54	521.72	-	-	-	-	521.72
- Units of Mutual funds	6.09	-	-	-	6.09	6.09	5.89	-	-	-	-	5.89
- Government and corporate securities	1292.86	-	-	-	-	1,292.86	-	-	-	-	-	-
- Debt securities	6,807.25	-	-	-	-	6,807.25	-	-	-	-	-	-
- Preference shares	891.81	-	-	-	-	891.81	874.85	-	-	-	-	874.85
- Units of private equity	1,228.94	-	-	-	-	1,228.94	650.78	-	-	-	-	650.78
- Other financial assets	-	-	115.36	-	-	115.36	-	-	2,795.78	-	-	2,795.78
<b>Total Financial Assets</b>	<b>11,204.22</b>	<b>-</b>	<b>4,842.39</b>	<b>97,104.35</b>	<b>-</b>	<b>1,13,150.96</b>	<b>2,279.56</b>	<b>-</b>	<b>24,522.02</b>	<b>60,826.67</b>	<b>-</b>	<b>87,628.25</b>
<b>Financial Liability</b>												
Derivative financial instruments	17,497.16	-	-	-	-	17,497.16	7,499.55	-	-	-	-	7,499.55
Payables												
Trade payables	-	-	62.39	-	-	62.39	-	-	148.34	-	-	148.34
Other payables	-	-	6,740.50	-	-	6,740.50	-	-	4.00	-	-	4.00
Debt securities	-	-	27,109.69	-	-	27,109.69	-	-	23,825.33	-	-	23,825.33
Borrowings (other than Debt securities)	-	-	9,464.78	-	-	9,464.78	-	-	1,825.87	-	-	1,825.87
Other financial liabilities	-	-	4,820.47	-	-	4,820.47	-	-	4,474.57	-	-	4,474.57
<b>Total Financial Liabilities</b>	<b>17,497.16</b>	<b>-</b>	<b>48,197.83</b>	<b>-</b>	<b>-</b>	<b>65,694.99</b>	<b>7,499.55</b>	<b>-</b>	<b>30,278.11</b>	<b>-</b>	<b>-</b>	<b>37,777.67</b>

\* Investment in subsidiaries, associate and joint venture are measured at cost in accordance with Ind AS 27, Separate Financial Statements.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 41 : FAIR VALUE MEASUREMENT (Contd..)

#### 41.2 Fair Value Hierarchy of assets and liabilities

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

Financial instruments measured at fair value - recurring fair value measurements

Particulars	As at March 31, 2022			As at March 31, 2021			Total	Level 1	Level 2	Level 3	Total
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3					
<b>Financial assets:-</b>											
<b>Financial assets measured at FVTPL</b>											
Options	440.73	-	-	440.73	226.32	-	226.32	-	-	-	226.32
<b>Financial investments measured at FVTPL</b>											
- Equity investments	536.54	-	-	536.54	521.72	-	521.72	-	-	-	521.72
- Units of Mutual funds	6.09	-	-	6.09	5.89	-	5.89	-	-	-	5.89
- Government and corporate securities	1,292.86	-	-	1,292.86	-	-	-	-	-	-	-
- Debt securities	-	-	6,807.25	6,807.25	-	-	-	-	-	-	-
- Preference shares	-	-	891.81	891.81	-	-	-	-	874.85	-	874.85
- Units of private equity	-	-	1,228.94	1,228.94	-	-	-	-	650.78	-	650.78
<b>Financial investments measured at FVOCI</b>											
- Unlisted equity instruments	-	-	-	-	-	-	-	-	-	-	-
<b>Total financial assets</b>	<b>2,276.22</b>	-	<b>8,928.00</b>	<b>11,204.22</b>	<b>753.93</b>	-	<b>1,525.63</b>	-	-	-	<b>2,279.56</b>
<b>Financial liabilities:-</b>											
<b>Financial Liabilities measured at FVTPL</b>											
<b>Derivatives not designated as hedges</b>											
Embedded derivatives on redeemable market linked debentures	-	17,497.16	-	17,497.16	-	-	-	7,499.55	-	-	7,499.55
Options	-	-	-	-	-	-	-	-	-	-	-
<b>Total financial liabilities</b>	-	<b>17,497.16</b>	-	<b>17,497.16</b>	-	-	<b>7,499.55</b>	-	-	-	<b>7,499.55</b>

(₹ in Lakhs)



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 41 : FAIR VALUE MEASUREMENT (Contd..)

#### 41.3 Financial assets and liabilities measured at amortised cost for which fair value is disclosed

(₹ in Lakhs)

Particulars	Fair value hierarchy	As at March 31,2022		As at March 31,2021	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>					
Cash and cash equivalents	Level 2	2,022.94	2,022.94	1,014.41	1,014.41
Bank balance other than cash and cash equivalents above	Level 2	1,583.02	1,583.02	4.27	4.27
Receivables -trade	Level 2	300.61	300.61	339.39	339.39
Loans	Level 3	820.46	820.46	20,368.17	20,368.17
Security deposits	Level 3	114.37	114.37	117.32	117.32
Other receivables	Level 3	0.99	0.99	2,688.70	2,688.70
<b>Financial liabilities</b>					
Payables					
Trade payables	Level 3	62.39	62.39	148.34	148.34
Other payables	Level 3	6,740.50	6,740.50	4.00	4.00
Debt securities	Level 2	27,109.69	27,109.69	23,825.33	23,825.33
Borrowings (other than Debt securities)	Level 2	9,464.78	9,464.78	1,825.87	1,825.87
Interest accrued on borrowings (other than debt instruments)	Level 2	209.22	209.22	154.88	154.88
Interest accrued on debt instruments	Level 2	4,537.38	4,537.38	4,247.48	4,247.48
Unpaid Dividend	Level 2	4.26	4.26	4.27	4.27
Guarantee Obligation	Level 3	69.61	69.61	67.94	67.94

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

The hierarchies used are as follows:

**Level 1:** The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

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

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

**Notes:**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank deposits, trade receivables, debts and borrowings. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 41 : FAIR VALUE MEASUREMENT (Contd..)

#### 41.4 Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments and
- for other financial instruments – discounted cash flow analysis.

Specific valuation techniques used to value financial instruments include:

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities, a contingent consideration receivable and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

#### 41.5 Valuation processes

The finance department of the company includes a team that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every six months, in line with the company's half-yearly reporting periods.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Discount rates for financial assets and financial liabilities are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk gradings determined by company's internal credit risk management group.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.
- Contingent consideration – expected cash inflows are estimated based on the terms of the sale contract and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the half-yearly valuation discussion between the CFO, Audit Committee and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

#### 41.6. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2022 and March 31, 2021:

Particulars	(₹ in Lakhs)				
	Unlisted equity shares	Debt instruments	Preference shares	Units of private equity	Total
<b>As at April 01, 2020</b>	<b>0.68</b>	-	<b>332.45</b>	<b>451.54</b>	<b>784.67</b>
Acquisitions during the year	-	-	500.00	225.00	725.00
Disposals/redemption during the year	-	-	-	-	-
Conversions into equity shares during the year	-	-	-	-	-
Gains/(losses) recognised in profit or loss*	-	-	42.40	(25.76)	16.64
Gains(losses) recognised in other comprehensive income*	(0.68)	-	-	-	(0.68)
<b>As at March 31, 2021</b>	<b>0.00</b>	-	<b>874.85</b>	<b>650.78</b>	<b>1,525.63</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 41 : FAIR VALUE MEASUREMENT (Contd..)

Particulars	(₹ in Lakhs)				
	Unlisted equity shares	Debt instruments	Preference shares	Units of private equity	Total
Acquisitions during the year	-	-	-	372.31	372.31
Disposals/redemption during the year	-	-	75.21	-	75.21
Conversions into equity shares during the year	-	-	-	-	-
Gains/(losses) recognised in profit or loss*	-	-	92.17	205.86	298.02
Gains(losses) recognised in other comprehensive income*	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>0.00</b>	<b>-</b>	<b>891.81</b>	<b>1,228.95</b>	<b>2,120.75</b>
*Includes unrealised gains/(losses) recognised in profit and loss related to assets and liabilities held at the end of the reporting period					
For the year ended March 31, 2021	(0.68)	-	42.40	(25.76)	15.96
For the year ended March 31, 2022	-	-	92.17	205.86	298.02

#### 41.7 Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted.

Particulars	Fair value as at	
	March 31, 2022	March 31, 2021
Unlisted equity shares	-	-
Debt instruments	-	-
Preference shares	891.81	874.85
Units of private equity	1,228.95	650.78

### Note 42: EMPLOYEE STOCK OPTION PLAN

The Company provides share-based payment to its employees. The Company has two employees stock option schemes viz. CCL Employee Stock Option Scheme 2017 and CCL Employee Stock Option Scheme 2018

CCL Employee Stock Option Scheme 2017

The Scheme was approved by Shareholders on August 31, 2017 for grant of stock options and all the granted Options Shall Vest with the Participant on the last day of the of 1st year from the Grant date

CCL Employee Stock Option Scheme 2018

The Scheme was approved by Shareholders on March 29, 2018 for grant of stock options and below are vesting requirements:

Sr. No.	Particulars	Maximum options entitled for vesting
1	At the end of Year 1 from the Grant date	20 (Twenty)% of total options granted
2	At the end of Year 2 from the Grant date	20 (Twenty)% of total options granted
3	At the end of Year 3 from the Grant date	20 (Twenty)% of total options granted
4	At the end of Year 4 from the Grant date	20 (Twenty)% of total options granted
5	At the end of Year 5 from the Grant date	20 (Twenty)% of total options granted

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 42: EMPLOYEE STOCK OPTION PLAN (Contd..)

The details of activity under both the Schemes (Face value of ₹ 1/- each) are summarized below:

Particulars	(₹ in Lakhs)	
	Number of options for year ended	
	March 31, 2022	March 31, 2021
<b>Scheme 2017 : Face value of ₹ 1 each</b>		
Exercise price	Refer Note A below	Refer Note A below
Options outstanding as at beginning of the year	8,00,000	13,00,000
Add: Granted	-	-
Less: Exercised	-	5,00,000
Less: Forfeited/Cancelled	-	-
Less: Lapsed	-	-
Option outstanding end of the year	8,00,000	8,00,000
Exercisable at the end of the year	8,00,000	8,00,000
<b>Scheme 2018 : Face value of ₹ 1 each</b>		
Exercise price	Refer Note A below	Refer Note A below
Option outstanding as at beginning of the year	38,00,000	38,00,000
Add Granted	-	-
Less: Exercised	-	-
Less: Forfeited/Cancelled	-	-
Less: Lapsed	-	-
Option outstanding as at end of the year	38,00,000	38,00,000
Exercisable at the end of the year	18,50,000	10,90,000

Note A:

Particulars	Scheme 2017	Scheme 2018
Exercise price/Pricing formula	The Exercise Price for the Options granted shall be ₹ 12.50 per share	The Exercise Price for the Options granted shall be decided by the Board/Committee/Trust, in such manner, during such period, in one or more tranches and on such terms and conditions as it may deem fit, provided that the exercise price per option shall not be less than the face value of the equity share of the Company and shall be subject to compliance with the accounting policies under the Regulations as may be applicable.
Total number of stock options approved (total shares lying with the Trust)	2,45,81,160	2,45,81,160
Maximum term of stock options granted	5 years	5 years
Source of shares (primary, secondary or combination)	Secondary	Secondary
Date of Grant	Various Dates	Various Dates
Total number of Options granted	18,00,000	38,00,000
Method of settlement	Equity	Equity
Total Number of Granted but not vested	-	19,50,000
Vested but not exercised	8,00,000	18,50,000
Exercise period	5 Years from each grant date	5 Years from each grant date
Weighted average share price at the date of exercise for stock options exercised during the year	NA	NA

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 42: EMPLOYEE STOCK OPTION PLAN (Contd..)

#### Details of Options granted:

(₹ in Lakhs)

Particulars	Scheme 2017			Scheme 2018		
	Grant Date	Sept 17, 2019	Oct 1 2018	Apr 12, 2018	July 26 , Sept 17 and 20, 2019	August 29, 2018
Number of Options granted	5,00,000	5,00,000	12,00,000	21,50,000	10,00,000	7,50,000
Number of Options forfeited/Cancelled	-	-	4,00,000	-	1,00,000	-
Number of Options granted (net)	5,00,000	5,00,000	8,00,000	21,50,000	9,00,000	7,50,000
Range of Risk free interest rate	6.46%	8.04%	7.32%	-	8.14% -8.31%	7.35% -7.50%
Dividend yield	0.16%	0.08%	0.08%	-	0.08%	0.08%
Expected volatility	20.05%	21.16%	19.84%	-	25.19%	17.24% -21.75%
Exercise price (₹)	12.5	12.5	12.5	Not yet determined	27.75	29.00
Fair value of option (₹)	15.39	27.5	52.58	Not yet determined	10.1 to 14.64	17.87 to 22.74
No. of years vesting	on the last day of the of 1st year from the Grant date			As per vesting schedule described above		

Vesting of options is subject to continued employment during the vesting period.

#### Other Information regarding employee share-based payment plan is as below:

(₹ in Lakhs)

Particulars	For year ended	
	March 31, 2022	March 31, 2021
Carrying amount at the start of the period of Share Option Outstanding Account	622.08	605.08
Expense arising from employee share based payment plans	40.01	93.95
Amount transferred to general reserve on account of ESOP Exercised during the year	-	(76.95)
<b>Total carrying amount at the end of the period of Share Option Outstanding Account</b>	<b>662.10</b>	<b>622.08</b>

### Note 43: RELATED PARTY

#### 43.1. Related Party Disclosure

Relationship	Name of the party
<b>A. Related parties with whom the Company has entered into transactions during the year:</b>	
(i) Enterprise where Key Management Personnel /Individual has Control / Significant Influence	Businessmatch Services (India) Private Limited Sonchajyo Investments and Finance Private Limited JBCG Advisory Services Private Limited BG Advisory Services LLP Casby Global Air Private Limited Knowledge Foods Private Limited Club 7 Holidays Limited

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 43: RELATED PARTY (Contd..)

(ii) Individual having significant influence	Mr. Chandir Gidwani, Chairman Emeritus (Non- Executive Director)
<b>B. List of Related Parties</b>	
(i) Subsidiary	<p>Centrum Retail Services Limited</p> <p>Centrum Broking Limited</p> <p>Centrum Microcredit Limited</p> <p>Centrum Housing Finance Limited</p> <p>Unity Small Finance Bank Limited ( w.e.f August 25, 2021)</p> <p>Centrum Financial Services Limited</p> <p>Centrum International Services Pte. Ltd.,</p> <p>Centrum Alternatives LLP</p> <p>Centrum Alternative Investment Managers Limited</p> <p>Centrum Capital International Limited</p> <p>Ignis Capital Advisors Limited (w.e.f October 27,2021)</p> <p>CCAL Investment Management Limited (Subsidiary of Centrum Capital International Limited)</p> <p>Centrum Capital Advisors Limited</p> <p>Centrum Wealth Limited (Formerly known as Centrum Wealth Management Limited) (Subsidiary of Centrum Retail Services Limited)</p> <p>Centrum Investment Advisors Limited (Subsidiary of Centrum Wealth Limited)</p> <p>Centrum Insurance Brokers Limited (Subsidiary of Centrum Retail Services Limited)</p>
(ii) Joint Ventures	Centrum REMA LLP (Subsidiary of Centrum Alternatives LLP) (upto Mar 31, 2021)
(iii) Associates	Acorn Fund Consultants Private Limited
(iv) Key Management Personnel	<p>Mr. Jaspal Singh Bindra, Executive Chairman</p> <p>Mr. Sriram Venkatasubramanian, Chief Financial Officer</p> <p>Mr. Alpesh Shah, Company Secretary (upto October 12, 2021)</p> <p>Mr. Parthasarthy Iyenger, Company Secretary (w.e.f May 10, 2022)</p>
(v) Directors	<p>Mr. Rajasekhara Reddy, Independent Director</p> <p>Mr. Subhash Kutte, Independent Director</p> <p>Mr. Manmohan Shetty, Independent Director</p> <p>Mr. Narayan Vasudeo Prabhutendulkar, Independent Director</p> <p>Ms. Anjali Seth, Independent Director</p> <p>Mr. Subrata Kumar Mitra, Independent Director</p>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 43: RELATED PARTY (Contd..)

Mr. Rajesh Kumar Srivastava, Independent Director  
 Mr. Rajesh Nanavaty, Independent Director ( upto 3rd August 2021 )  
 Mr. Rishad Byramjee, Independent Director  
 Mr. Ramchandra Kasargod Kamath, Independent Director  
 Mrs. Mahakhurshid Byramjee, Independent Director  
 Mr. Sankaranarayanan Radhamangalam Anantharaman, Independent Director  
 Mr. Amritpal Singh Bindra ( Son of Executive Chairman)

(vi) Relatives of Key Management Personnel

#### 43.2. Related Party Transactions : (Refer Annexure 'A')

**43.3** The Company had contracted to buy 23,69,207 equity shares of Centrum Retail Services Limited (a subsidiary of the Company) for ₹ 8,004 lakhs from non-controlling interest shareholders post receipt of approval from the shareholders in July 2019. Pursuant to this, during the year Company has purchased balance 18,29,446 equity shares of Centrum Retail Services Limited for a consideration of ₹ 6180.50 lakhs. During the previous year, Company has purchased 1,85,002 equity shares of Centrum Retail Services Limited for a consideration of ₹ 625 lakhs settled through transfer of 50,00,000 Compulsory Convertible Debentures of Centrum Microcredit Limited (a subsidiary).

#### Note 43.4: DISCLOSURE REQUIRED UNDER SECTION 186 (4) of the Companies Act, 2013

##### A) Loans and advances given

		(₹ in Lakhs)			
Name of the entity	Relation	As at March 31, 2022	Maximum balance outstanding	As at March 31, 2021	Maximum balance outstanding
Centrum Alternative Investment Managers Limited	Subsidiary	821.55	915.00	915.00	915.00
Centrum Housing Finance Limited	Subsidiary	-	700.00	-	-
Ignis Capital Advisors Limited	Subsidiary	-	7.00	-	-
Centrum Retail Services Limited	Subsidiary	-	26,250.75	18,670.75	18,670.75
Centrum Capital Advisors Limited	Subsidiary	-	135.00	135.00	1,200.00
Centrum Rema LLP	Joint Venture	-	-	-	906.39
Accorn Fund Consultants Private Limited	Associate	-	684.87	669.87	669.87
Centrum International Services PTE. Limited	Subsidiary	0.24	0.24	0.24	0.24
<b>Total</b>		<b>821.79</b>	<b>28,692.86</b>	<b>20,390.86</b>	

##### B) Investments in Equity Shares / Partnership Interest

		(₹ in Lakhs)	
Name of the entity	Relation	As at March 31, 2022	As at March 31, 2021
Centrum Alternative Investment Managers Limited	Subsidiary	51.00	51.00
Centrum Broking Limited	Subsidiary	2,268.07	2,253.32
Centrum Capital Advisors Limited	Subsidiary	100.00	100.00
Centrum Housing Finance Limited	Subsidiary	15,139.39	15,112.41
Centrum International Services PTE. Limited	Subsidiary	961.95	684.75
Centrum Microcredit Limited	Subsidiary	7,101.59	7,083.26

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 43: RELATED PARTY (Contd..)

(₹ in Lakhs)			
Name of the entity	Relation	As at	As at
		March 31, 2022	March 31, 2021
Centrum Retail Services Limited	Subsidiary	40,605.91	34,413.16
Centrum Financial Services Limited	Subsidiary	29,782.66	-
Ignis Capital Advisors Limited	Subsidiary	0.01	-
Centrum Capital International Limited	Subsidiary	198.10	198.10
Centrum Alternatives LLP	Subsidiary	895.67	930.67
<b>Total</b>		<b>97,104.35</b>	<b>60,826.67</b>
C) Investments in Preference Shares*			
Centrum Broking Limited	Subsidiary	306.66	271.38
Centrum Microcredit Limited	Subsidiary	515.04	500.25
<b>Total</b>		<b>821.70</b>	<b>771.63</b>
D) Corporate Guarantees given by the Company			
Centrum Financial Services Limited	Subsidiary	-	33,400.00
Centrum Microcredit Limited	Subsidiary	-	19,489.00
Unity Small Finance Bank Limited (assigned by Centrum Financial Services Limited)	Subsidiary	12,500.00	-
Unity Small Finance Bank Limited (assigned by Centrum Microcredit Limited)	Subsidiary	18,963.98	-
Centrum Broking Limited	Subsidiary	23,075.00	13,075.00
Centrum Housing Finance Limited	Subsidiary	45,333.34	36,833.00
Centrum Retail Services Limited	Subsidiary	1,405.00	1,405.00
Centrum Alternatives LLP	Subsidiary	50.00	50.00
<b>Total</b>		<b>1,01,327.32</b>	<b>1,04,252.00</b>

\*Investment in Debentures and Preference shares are presented at fair values

Notes :Loans, Guarantees given or Investments made are towards general business purposes.



# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

## Note 43: RELATED PARTY (Contd..)

### Note 43.2 Annexure 'A' - Related Party Transactions for the year ended March 31, 2022

(₹ in Lakhs)

Nature of transaction	Subsidiary Companies		Joint Venture	Enterprise where Key Management Personnel has Control/ Significant Influence		Key Management Personnel	Directors		Individual having significant influence		Relative of Key Management Personnel/Individual having significant influence		Associates / Entities where company has significant influence		Total		
	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22
<b>Inter-Corporate Deposits Given</b>																	
Centrum Capital Advisors Limited	-	2,800.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,800.00
Centrum REMA LLP	-	-	557.39	-	-	-	-	-	-	-	-	-	-	-	-	-	557.39
Centrum Retail Services Limited	44,430.00	22,952.00	-	-	-	-	-	-	-	-	-	-	-	-	44,430.00	-	22,952.00
Centrum Microcredit Limited	-	1,500.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,500.00
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	15.00	151.87	15.00	151.87	151.87
Centrum Alternative Investment Managers Limited	24.05	200.00	-	-	-	-	-	-	-	-	-	-	-	-	24.05	200.00	200.00
Ignis Capital Advisors Limited	7.00	-	-	-	-	-	-	-	-	-	-	-	-	-	7.00	-	7.00
<b>Total</b>	<b>44,461.05</b>	<b>27,452.00</b>	<b>557.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.00</b>	<b>151.87</b>	<b>44,476.05</b>	<b>28,161.26</b>	<b>28,161.26</b>
<b>Inter-Corporate Deposits received back</b>																	
Centrum Retail Services Limited	63,100.75	9,037.25	-	-	-	-	-	-	-	-	-	-	-	-	63,100.75	9,037.25	9,037.25
Centrum REMA LLP	-	-	986.39	-	-	-	-	-	-	-	-	-	-	-	-	986.39	986.39
Centrum Capital Advisors Limited	135.00	2,720.00	-	-	-	-	-	-	-	-	-	-	-	-	135.00	2,720.00	2,720.00
Centrum Microcredit Limited	-	1,500.00	-	-	-	-	-	-	-	-	-	-	684.87	47.00	684.87	1,547.00	1,547.00
Centrum Alternative Investment Managers Limited	117.50	170.00	-	-	-	-	-	-	-	-	-	-	-	-	117.50	170.00	170.00
Ignis Capital Advisors Limited	7.00	-	-	-	-	-	-	-	-	-	-	-	-	-	7.00	-	7.00
<b>Total</b>	<b>63,360.25</b>	<b>13,427.25</b>	<b>986.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>684.87</b>	<b>47.00</b>	<b>64,045.11</b>	<b>14,460.64</b>	<b>14,460.64</b>
<b>Inter-Corporate Deposits Taken</b>																	
Centrum Financial Services Limited	4,300.00	-	-	-	-	-	-	-	-	-	-	-	-	-	4,300.00	-	4,300.00
Centrum Retail Services Limited	23,615.00	-	-	-	-	-	-	-	-	-	-	-	-	-	23,615.00	-	23,615.00
Centrum Housing Finance Limited	700.00	-	-	-	-	-	-	-	-	-	-	-	-	-	700.00	-	700.00
Centrum Microcredit Limited	7,450.00	-	-	-	-	-	-	-	-	-	-	-	-	-	7,450.00	-	7,450.00
<b>Total</b>	<b>36,065.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,065.00</b>	<b>-</b>	<b>36,065.00</b>
<b>Inter-Corporate Deposits repaid</b>																	
Centrum Financial Services Limited	4,300.00	2,400.00	-	-	-	-	-	-	-	-	-	-	-	-	4,300.00	2,400.00	2,400.00
Centrum Housing Finance Limited	700.00	500.00	-	-	-	-	-	-	-	-	-	-	-	-	700.00	500.00	500.00
Centrum Retail Services Limited	23,615.00	-	-	-	-	-	-	-	-	-	-	-	-	-	23,615.00	-	23,615.00
Centrum Microcredit Limited	1,140.00	-	-	-	-	-	-	-	-	-	-	-	-	-	1,140.00	-	1,140.00

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 43: RELATED PARTY (Contd..)

Nature of transaction	Subsidiary Companies		Joint Venture	Enterprise where Key Management Personnel has Control/ Significant Influence		Key Management Personnel	Directors		Individual having significant influence		Relative of Key Management Personnel/Individual having significant influence		Associates / Entities where company has significant influence		Total
	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	
	29,755.00	2,900.00		-	-		-	-	-	-	-	-	-	-	
<b>Commission and Brokerage Paid</b>															
Centrum Broking Limited	-	0.04	-	-	-	-	-	-	-	-	-	-	-	0.04	-
Centrum Investment Advisors Limited	1,226.20	636.71	-	-	-	-	-	-	-	-	-	-	-	1,226.20	636.71
Centrum Wealth Limited	41.89	110.32	-	-	-	-	-	-	-	-	-	-	-	41.89	110.32
<b>Total</b>	<b>1,268.10</b>	<b>747.07</b>	-	-	-	-	-	-	-	-	-	-	-	<b>1,268.10</b>	<b>747.07</b>
<b>Syndication Income Received</b>															
Centrum Wealth Limited	30.63	23.30	-	-	-	-	-	-	-	-	-	-	-	30.63	23.30
Thrill Park Limited	-	-	-	-	3.00	-	-	-	-	-	-	-	-	-	3.00
Centrum Broking Limited	160.00	-	-	-	-	-	-	-	-	-	-	-	-	160.00	-
<b>Total</b>	<b>190.63</b>	<b>23.30</b>	-	-	<b>3.00</b>	-	-	-	-	-	-	-	-	<b>190.63</b>	<b>26.30</b>
<b>Other Income</b>															
Unity Small Finance Bank Limited	100.00	-	-	-	-	-	-	-	-	-	-	-	-	100.00	-
<b>Total</b>	<b>100.00</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>100.00</b>	-
<b>Sale of Property, plant and equipment (Computer)</b>															
Unity Small Finance Bank Limited	0.20	-	-	-	-	-	-	-	-	-	-	-	-	0.20	-
<b>Total</b>	<b>0.20</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>0.20</b>	-
<b>Capital Withdrawal from Partnership Interest</b>															
Centrum Alternatives LLP	35.00	576.00	-	-	-	-	-	-	-	-	-	-	-	35.00	576.00
<b>Total</b>	<b>35.00</b>	<b>576.00</b>	-	-	-	-	-	-	-	-	-	-	-	<b>35.00</b>	<b>576.00</b>
<b>Investment made during the year in Equity Shares / Partnership Interest</b>															
Centrum International Services Pte. Limited	277.20	128.09	-	-	-	-	-	-	-	-	-	-	-	277.20	128.09
Ignis Capital Advisors Limited	0.01	-	-	-	-	-	-	-	-	-	-	-	-	0.01	-
<b>Total</b>	<b>277.21</b>	<b>128.09</b>	-	-	-	-	-	-	-	-	-	-	-	<b>277.21</b>	<b>128.09</b>
<b>Investment made during the year in Debentures</b>															
Centrum Microcredit Limited	-	500.00	-	-	-	-	-	-	-	-	-	-	-	-	500.00
<b>Total</b>	-	<b>500.00</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>500.00</b>
<b>Compulsory Convertible Debentures (CCD) of Centrum Microcredit Limited (CML) purchased</b>															
Centrum Financial Services Limited	2,355.00	-	-	-	-	-	-	-	-	-	-	-	-	2,355.00	-

(₹ in Lakhs)

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

## Note 43: RELATED PARTY (Contd..)

(₹ in Lakhs)

Nature of transaction	Subsidiary Companies		Joint Venture	Enterprise where Key Management Personnel has Control / Significant Influence		Key Management Personnel		Directors		Individual having significant influence	Relative of Key Management Personnel/Individual having significant influence		Associates / Entities where company has significant influence		Total	
	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21		
Aniripal Singh Bindra	-	-	-	-	-	-	-	-	-	-	2,050.00	-	-	2,050.00	-	
BG Advisory Services LLP	-	-	-	347.40	-	-	-	-	-	-	-	-	-	-	347.40	
<b>Total</b>	<b>2,355.00</b>	-	-	<b>347.40</b>	-	-	-	-	-	-	<b>2,050.00</b>	-	-	<b>4,752.40</b>	-	
<b>Compulsory Convertible Debentures (CCD) of Centrum Financial Services Limited (CFSL) purchased</b>																
Centrum Retail Services Limited	1,771.73	-	-	-	-	-	-	-	-	-	-	-	-	-	1,771.73	-
<b>Total</b>	<b>1,771.73</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>1,771.73</b>	-
<b>Purchase of Centrum Financial Services Limited (CFSL) Equity share</b>																
Centrum Retail Services Limited	29,782.66	-	-	-	-	-	-	-	-	-	-	-	-	-	29,782.66	-
<b>Total</b>	<b>29,782.66</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>29,782.66</b>	-
<b>Sale of Centrum Microcredit Limited (CML) Compulsory Convertible Debenture (CCD) (Consideration Other than Cash)</b>																
Aniripal Singh Bindra	-	-	-	-	-	-	-	-	-	-	-	500.00	-	-	-	500.00
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-	<b>500.00</b>	-	-	-	<b>500.00</b>
<b>Purchase of Centrum Retail Services Limited (CRSL) Equity share (Consideration Other than Cash)</b>																
Aniripal Singh Bindra	-	-	-	-	-	-	-	-	-	-	6,180.50	625.00	-	-	6,180.50	625.00
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	<b>6,180.50</b>	<b>625.00</b>	-	-	<b>6,180.50</b>	<b>625.00</b>
<b>Market Linked Debentures (MLD) issued during the year</b>																
Centrum Wealth Limited	15,528.84	15,238.39	-	-	-	-	-	-	-	-	-	-	-	-	15,528.84	15,238.39
<b>Total</b>	<b>15,528.84</b>	<b>15,238.39</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>15,528.84</b>	<b>15,238.39</b>
<b>Market Linked Debentures (MLD) Redeemed during the year</b>																
Centrum Wealth Limited	19,217.37	5,980.62	-	-	-	-	-	-	-	-	-	-	-	-	19,217.37	5,980.62
<b>Total</b>	<b>19,217.37</b>	<b>5,980.62</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>19,217.37</b>	<b>5,980.62</b>
<b>Rent Reimbursement</b>																
Centrum Retail Services Limited	-	36.00	-	-	-	-	-	-	-	-	-	-	-	-	-	36.00
Centrum Financial Services Limited	1.05	1.80	-	-	-	-	-	-	-	-	-	-	-	-	1.05	1.80
Centrum Housing Finance Limited	1.80	-	-	-	-	-	-	-	-	-	-	-	-	-	1.80	-

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 43: RELATED PARTY (Contd..)

Nature of transaction	Subsidiary Companies		Joint Venture	Enterprise where Key Management Personnel has Control/ Significant Influence		Key Management Personnel	Directors	Individual having significant influence		Relative of Key Management Personnel/Individual having significant influence		Associates / Entities where company has significant influence	Total			
	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21			FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
	(₹ in Lakhs)															
Unity Small Finance Bank Limited	0.75	-	-	-	-	-	-	-	-	-	-	-	0.75	-		
<b>Total</b>	<b>3.60</b>	<b>37.80</b>	-	-	-	-	-	-	-	-	-	-	<b>3.60</b>	<b>37.80</b>		
<b>Rent Expenses</b>																
Businessmatch Services (India) Private Limited	-	-	-	14.47	13.78	-	-	-	-	-	-	-	14.47	13.78		
Centrum Retail Services Limited	133.37	161.55	-	-	-	-	-	-	-	-	-	-	133.37	161.55		
<b>Total</b>	<b>133.37</b>	<b>161.55</b>	-	<b>14.47</b>	<b>13.78</b>	-	-	-	-	-	-	-	<b>147.84</b>	<b>175.33</b>		
<b>Other Expenses</b>																
Centrum Broking Limited	1.52	3.19	-	-	-	-	-	-	-	-	-	-	1.52	3.19		
Centrum Retail Services Limited	12.08	12.01	-	-	-	-	-	-	-	-	-	-	12.08	12.01		
Club 7 Holidays Limited	-	-	-	63.44	33.60	-	-	-	-	-	-	-	63.44	33.60		
Centrum Wealth Limited	0.75	-	-	-	-	-	-	-	-	-	-	-	0.75	-		
<b>Total</b>	<b>14.35</b>	<b>15.20</b>	-	<b>63.44</b>	<b>33.60</b>	-	-	-	-	-	-	-	<b>77.79</b>	<b>48.80</b>		
<b>Shared Resources Income</b>																
Centrum Retail Services Limited	479.68	463.88	-	-	-	-	-	-	-	-	-	-	479.68	463.88		
Centrum Wealth Limited	10.00	11.90	-	-	-	-	-	-	-	-	-	-	10.00	11.90		
Centrum Broking Limited	10.00	10.00	-	-	-	-	-	-	-	-	-	-	10.00	10.00		
Centrum Capital Advisors Limited	0.96	2.07	-	-	-	-	-	-	-	-	-	-	0.96	2.07		
Centrum Housing Finance Limited	10.00	10.00	-	-	-	-	-	-	-	-	-	-	10.00	10.00		
Centrum Financial Services Limited	5.00	10.00	-	-	-	-	-	-	-	-	-	-	5.00	10.00		
Centrum Microcredit Limited	5.83	10.00	-	-	-	-	-	-	-	-	-	-	5.83	10.00		
Centrum Alternative Investment Managers Limited	1.45	1.13	-	-	-	-	-	-	-	-	-	-	1.45	1.13		
Centrum Investment Advisors Limited	4.80	0.74	-	-	-	-	-	-	-	-	-	-	4.80	0.74		
Centrum Insurance Brokers Limited	1.76	4.39	-	-	-	-	-	-	-	-	-	-	1.76	4.39		
<b>Total</b>	<b>529.47</b>	<b>524.12</b>	-	-	-	-	-	-	-	-	-	-	<b>529.47</b>	<b>524.12</b>		
<b>Interest Income</b>																
Centrum REMA LLP	-	-	-	95.72	-	-	-	-	-	-	-	-	-	95.72		
Centrum Capital Advisors Limited	0.53	1.49	-	-	-	-	-	-	-	-	-	-	0.53	1.49		
Centrum Retail Services Limited	1,252.80	1,282.34	-	-	-	-	-	-	-	-	-	-	1,252.80	1,282.34		
Centrum Alternative Investment Managers Limited	110.10	105.44	-	-	-	-	-	-	-	-	-	-	110.10	105.44		
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	-	-	-	18.46	73.72	18.46		
Centrum Microcredit Limited	455.55	15.26	-	-	-	-	-	-	-	-	-	-	455.55	15.26		

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

## Note 43: RELATED PARTY (Contd..)

(₹ in Lakhs)

Nature of transaction	Subsidiary Companies		Joint Venture	Enterprise where Key Management Personnel has Control / Significant Influence		Key Management Personnel		Directors		Individual having significant influence		Relative of Key Management Personnel/Individual having significant influence		Associates / Entities where company has significant influence		Total	
	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Centrum Financial Services Limited	113.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	113.29	-
Ignis Capital Advisors Limited	0.39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.39	-
<b>Total</b>	<b>1,932.65</b>	<b>1,404.53</b>	<b>95.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18.46</b>	<b>73.72</b>	<b>1,951.11</b>	<b>1,573.97</b>
<b>Interest Expenses</b>																	
Centrum Housing Finance Limited	53.35	64.22	-	-	-	-	-	-	-	-	-	-	-	-	-	53.35	64.22
Centrum Financial Services Limited	1.53	193.47	-	-	-	-	-	-	-	-	-	-	-	-	1.53	193.47	-
Centrum Retail Services Limited	136.29	-	-	-	-	-	-	-	-	-	-	-	-	-	136.29	-	-
Centrum Microcredit Limited	367.59	-	-	-	-	-	-	-	-	-	-	-	-	-	367.59	-	-
<b>Total</b>	<b>558.76</b>	<b>257.68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>558.76</b>	<b>257.68</b>	<b>-</b>
<b>Interest Expenses on redemption of Market Linked Debentures</b>																	
Centrum Wealth Limited	4,488.37	182.23	-	-	-	-	-	-	-	-	-	-	-	-	4,488.37	182.23	-
<b>Total</b>	<b>4,488.37</b>	<b>182.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,488.37</b>	<b>182.23</b>	<b>-</b>
<b>Dividend Income</b>																	
Centrum Capital International Limited	-	37.42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.42
Centrum Microcredit Limited	90.00	0.25	-	-	-	-	-	-	-	-	-	-	-	-	90.00	0.25	-
<b>Total</b>	<b>90.00</b>	<b>37.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90.00</b>	<b>37.67</b>	<b>-</b>
<b>Directors sitting fees</b>																	
Mr. Chandir Gidwani	-	-	-	-	-	-	-	-	-	4.75	6.00	-	-	-	4.75	6.00	-
Mr. R. S Reddy, Independent Director	-	-	-	-	-	-	-	5.00	4.00	-	-	-	-	-	5.00	4.00	-
Mr. Subhash Kutte, Independent Director	-	-	-	-	-	-	-	10.75	9.60	-	-	-	-	-	10.75	9.60	-
Mr. Manmohan Shetty, Independent Director	-	-	-	-	-	-	-	5.50	4.25	-	-	-	-	-	5.50	4.25	-
Mr. N V P Tendulkar, Independent Director	-	-	-	-	-	-	-	9.50	8.60	-	-	-	-	-	9.50	8.60	-
Ms. Anjali Seth, Independent Director	-	-	-	-	-	-	-	5.00	5.00	-	-	-	-	-	5.00	5.00	-
Mr. S K Mitra, Independent Director	-	-	-	-	-	-	-	5.00	5.00	-	-	-	-	-	5.00	5.00	-
Mr. T M Bhasin, Independent Director (upto 09, 2020)	-	-	-	-	-	-	-	-	2.00	-	-	-	-	-	-	-	2.00
Mr. Rajesh Srivastava, Independent Director (w.e.f February 12, 2020)	-	-	-	-	-	-	-	5.00	4.00	-	-	-	-	-	5.00	4.00	-

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 43: RELATED PARTY (Contd..)

Nature of transaction	Subsidiary Companies		Joint Venture		Enterprise where Key Management Personnel has Control/ Significant Influence		Key Management Personnel		Directors		Individual having significant influence		Relative of Key Management Personnel/Individual having significant influence		Associates / Entities where company has significant influence		Total	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
	₹ in Lakhs																	
Mr. Rajesh Nanavaty, Independent Director	-	-	-	-	-	-	-	-	1.25	6.00	-	-	-	-	-	-	1.25	6.00
Mr. Rishad Byramjee, Independent Director	-	-	-	-	-	-	-	-	9.75	8.85	-	-	-	-	-	-	9.75	8.85
Mr. K.R.Kamath, Independent Director	-	-	-	-	-	-	-	-	5.00	5.00	-	-	-	-	-	-	5.00	5.00
Mrs. Mahakurshid Byramjee, Independent Director	-	-	-	-	-	-	-	-	1.00	1.00	-	-	-	-	-	-	1.00	1.00
Mr. Sankara Narayana, Independent Director	-	-	-	-	-	-	-	-	5.00	-	-	-	-	-	-	-	5.00	-
<b>Total</b>	-	-	-	-	-	-	-	-	<b>67.75</b>	<b>63.30</b>	<b>4.75</b>	<b>6.00</b>	-	-	-	-	<b>72.50</b>	<b>69.30</b>
<b>Professional Fees Expenses</b>																		
Sonchajyo Investment and Finance Private Limited	-	-	-	-	12.00	12.00	-	-	-	-	-	-	-	-	-	-	-	12.00
Centrum Financial Services Limited	215.63	335.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	215.63
Centrum Wealth Limited	-	3.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.50
Centrum Broking Limited	-	0.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.20
<b>Total</b>	<b>215.63</b>	<b>338.70</b>	-	-	<b>12.00</b>	<b>12.00</b>	-	-	-	-	-	-	-	-	-	-	-	<b>227.63</b>
<b>Compensation to Key Management Personnel</b>																		
Mr. Jaspal Singh Bindra (Executive Chairman)	-	-	-	-	-	-	419.58	337.15	-	-	-	-	-	-	-	-	-	419.58
Mr. Alpesh Shah (Company Secretary)	-	-	-	-	-	-	15.68	24.15	-	-	-	-	-	-	-	-	-	15.68
Mr. Sriram Venkatasubramanian (Chief Financial Officer)	-	-	-	-	-	-	187.02	101.93	-	-	-	-	-	-	-	-	-	187.02
<b>Total</b>	-	-	-	-	-	-	<b>622.28</b>	<b>463.24</b>	-	-	-	-	-	-	-	-	-	<b>622.28</b>
<b>Corporate Guarantee Given / (Taken Back)</b>																		
Unity Small Finance Bank (assigned by Centrum Financial Services Limited)	(8,400.00)	(11,900.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,400.00)
Centrum Housing Finance Limited	8,500.00	(3,999.66)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,500.00
Unity Small Finance Bank (assigned by Centrum Microcredit Limited)	2,500.00	3,511.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,500.00
Centrum Broking Limited	10,000.00	2,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,000.00
<b>Total</b>	<b>12,600.00</b>	<b>(10,388.66)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>12,600.00</b>
<b>Amount receivable as at March 31, 2022</b>																		
Expenses Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Centrum Wealth Limited	8.99	15.67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.99
																		15.67

# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

## Note 43: RELATED PARTY (Contd..)

(₹ in Lakhs)

Nature of transaction	Subsidiary Companies		Joint Venture	Enterprise where Key Management Personnel has Control / Significant Influence		Key Management Personnel		Directors		Individual having significant influence		Relative of Key Management Personnel/individual having significant influence		Associates / Entities where company has significant influence		Total	
	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Centrum Financial Services Limited	-	11.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.80
Centrum Retail Services Limited	0.08	0.65	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08	0.65
Centrum Alternative Investment Managers Limited	-	1.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.33
Centrum Broking Limited	-	11.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.80
Centrum Capital Advisors Limited	-	2.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.45
Centrum Housing Finance Limited	-	11.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.80
Centrum Insurance Brokers Limited	-	5.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.18
Centrum Investment Advisors Limited	-	0.88	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.88
Centrum Microcredit Limited	-	11.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.80
<b>Total</b>	<b>9.08</b>	<b>73.35</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>9.08</b>	<b>73.35</b>
<b>Interest Receivable</b>																	
Centrum Capital Advisors Limited	-	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03
Centrum Alternative Investment Managers Limited	-	6.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.60
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.83
<b>Total</b>	<b>-</b>	<b>6.63</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>4.83</b>	<b>11.46</b>
<b>Security Deposits Receivable</b>																	
Businessmatch Services (India) Private Limited	-	-	-	30.00	30.00	-	-	-	-	-	-	-	-	-	-	-	30.00
Mr. Chandir Gidwani	-	-	-	-	-	-	-	-	-	30.00	30.00	-	-	-	-	-	30.00
<b>Total</b>	<b>-</b>	<b>-</b>	-	<b>30.00</b>	<b>30.00</b>	-	-	-	-	<b>30.00</b>	<b>30.00</b>	-	-	-	-	<b>60.00</b>	<b>60.00</b>
<b>Loan/Advances receivable</b>																	
Centrum Retail Services Limited	-	18,670.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,670.75
Centrum International Services Pte. Limited	0.24	0.24	-	-	-	-	-	-	-	-	-	-	-	-	-	0.24	0.24
Centrum Capital Advisors Limited	-	135.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	135.00
Centrum Alternative Investment Managers Limited	821.55	915.00	-	-	-	-	-	-	-	-	-	-	-	-	-	821.55	915.00
Acorn Fund Consultants Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	669.87	-	669.87
<b>Total</b>	<b>821.79</b>	<b>19,720.99</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>669.87</b>	<b>821.79</b>	<b>20,390.86</b>
<b>Dividend on NCRCPs</b>																	
Centrum Microcredit Ltd	15.04	0.25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.04
<b>Total</b>	<b>15.04</b>	<b>0.25</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>15.04</b>	<b>0.25</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 43: RELATED PARTY (Contd..)

(₹ in Lakhs)

Nature of transaction	Subsidiary Companies		Joint Venture	Enterprise where Key Management Personnel has Control/ Significant Influence		Key Management Personnel	Directors		Individual having significant influence		Relative of Key Management Personnel/Individual having significant influence		Associates / Entities where company has significant influence		Total
	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	
<b>Amount payable as at March 31, 2022</b>															
<b>Expenses Payable</b>															
Centrum Wealth Limited	-	2.42	-	-	-	-	-	-	-	-	-	-	-	-	2.42
Centrum Retail Services Limited	0.61	0.72	-	-	-	-	-	-	-	-	-	-	-	0.61	0.72
<b>Total</b>	<b>0.61</b>	<b>3.14</b>	-	-	-	-	-	-	-	-	-	-	-	<b>0.61</b>	<b>3.14</b>
<b>Loan/Advances payable</b>															
Casby Global Air Private Limited	-	-	-	25.00	25.00	-	-	-	-	-	-	-	-	-	25.00
Centrum Microcredit Limited	6,310.00	-	-	-	-	-	-	-	-	-	-	-	-	6,310.00	-
<b>Total</b>	<b>6,310.00</b>	-	-	<b>25.00</b>	<b>25.00</b>	-	-	-	-	-	-	-	-	<b>6,335.00</b>	<b>25.00</b>
<b>Outstanding Payable:</b>															
Amritpal Singh Bindra	-	-	-	-	-	-	-	-	-	-	6,730.50	-	-	-	6,730.50
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	<b>6,730.50</b>	-	-	<b>6,730.50</b>	-
<b>Guarantees outstanding as on March 31, 2022</b>															
Corporate Guarantee given															
Centrum Broking Limited	23,075.00	13,075.00	-	-	-	-	-	-	-	-	-	-	-	23,075.00	13,075.00
Unity Small Finance Bank ( assigned by Centrum Financial Services Limited)	12,500.00	33,400.00	-	-	-	-	-	-	-	-	-	-	-	12,500.00	33,400.00
Unity Small Finance Bank ( assigned by Centrum Microcredit Limited )	18,963.98	19,489.00	-	-	-	-	-	-	-	-	-	-	-	18,963.98	19,489.00
Centrum Housing Finance Limited	45,333.34	36,833.00	-	-	-	-	-	-	-	-	-	-	-	45,333.34	36,833.00
Centrum Retail Services Limited	1,405.00	1,405.00	-	-	-	-	-	-	-	-	-	-	-	1,405.00	1,405.00
Centrum Alternatives LLP	-	50.00	-	-	-	-	-	-	-	-	-	-	-	50.00	50.00
<b>Total</b>	<b>1,01,327.32</b>	<b>1,04,252.00</b>	-	-	-	-	-	-	-	-	-	-	-	<b>1,01,327.32</b>	<b>1,04,252.00</b>
<b>Investments in Preference Shares as on Mar 31, 2022</b>															
Centrum Broking Limited	250.00	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00	250.00
Centrum Microcredit Limited	500.00	500.00	-	-	-	-	-	-	-	-	-	-	-	500.00	500.00
<b>Total</b>	<b>750.00</b>	<b>750.00</b>	-	-	-	-	-	-	-	-	-	-	-	<b>750.00</b>	<b>750.00</b>
<b>Investments in Debentures as on Mar 31, 2022</b>															



# Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

## Note 43: RELATED PARTY (Contd..)

(₹ in Lakhs)

Nature of transaction	Subsidiary Companies		Joint Venture	Enterprise where key Management Personnel has Control / Significant Influence		Key Management Personnel		Directors		Individual having significant influence	Relative of Key Management Personnel/Individual having significant influence		Associates / Entities where company has significant influence		Total
	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	
Centrum Microcredit Limited	3,300.00	-	-	-	-	-	-	-	-	-	-	-	-	-	3,300.00
Centrum Financial Services Limited	1,509.14	-	-	-	-	-	-	-	-	-	-	-	-	-	1,509.14
<b>Total</b>	<b>4,809.14</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>4,809.14</b>
<b>Market Linked Debentures (MLD) Payable as on March 31, 2022</b>															
Mahakurshid Khushrooh Byranjee	-	-	-	-	-	-	-	140.00	-	-	-	-	-	-	140.00
<b>Total</b>	-	-	-	-	-	-	-	<b>140.00</b>	-	-	-	-	-	-	<b>140.00</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 44: FINANCIAL RISK MANAGEMENT

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

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank deposits, trade receivables, loans and other assets	"Aging analysis Credit ratings"	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Debts, borrowings and other liabilities	Rolling cash flow forecast	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	"Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee(INR)"	"Cash flow forecasting Sensitivity analysis"	"Forward foreign exchange contracts Foreign currency options"
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

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

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

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

#### a) Credit risk management

Credit risk is the risk that the Company will incur a loss because its trade receivable fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its trade receivables based on days past due monitoring at period end. Repayment by individual trade receivable is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Credit risk arises from loans and advances, cash and cash equivalents, and deposits with banks and financial institutions.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

##### i) Credit risk management

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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 44: FINANCIAL RISK MANAGEMENT (Contd..)

#### Definition of Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which NBFC operates and other macro-economic factors.

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

ii) Provision for expected credit losses

The company provides for expected credit loss based on following:

Particulars	Description of category	Basis for recognition of expected credit loss provision
Stage 1	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil  Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past  Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	12-month expected credit losses
Stage 2	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due	Life-time expected credit losses
Stage 3	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Credit Loss is recognized on full exposure/ Asset is written off

#### Year ended March 31, 2022

(₹ in Lakhs)

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit losses
Loss allowance measured at 12 month expected credit losses	Cash and Cash equivalents	2,022.94	-
	Trade Receivables	607.53	306.91
	Loans	905.57	85.11
	Other financial assets	215.36	100.00

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 44: FINANCIAL RISK MANAGEMENT (Contd..)

Year ended March 31, 2021

(₹ in Lakhs)

Particulars	Asset group	Estimated gross carrying amount at default		Expected credit losses
Loss allowance measured at 12 month expected credit losses	Cash and Cash equivalents	1,015.33		0.91
	Trade Receivables	675.22		335.83
	Loans	20,496.53		128.36
	Other financial assets	2,906.02		110.24

#### Cash and cash equivalents

Cash and cash equivalents include balance of ₹ 2,022.94 Lakhs at 31 March 2022 (2021: ₹ 1,015.33 Lakhs) is maintained as cash in hand and balances with Bank and financial institution counterparties with good credit rating therefore have limited exposure to credit risk.

#### Loans and advances

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. The loans given by the company are unsecured and are considered to have low credit risk based on credit evaluation undertaken by the Company. There is no history of any defaults on these loans. Since few counter parties are related parties and employees of the company, the company regularly monitors to ensure that these entities have enough liquidity which safeguards the interest of the company. The said loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected loss, Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flows obligations in the near terms.

#### Trade Receivables

The Company has established a simplified impairment approach for qualifying trade receivables. For these assets, company has recognized a loss allowance based on Lifetime ECLs rather than the two step process under the general approach.

#### Derivative assets

The Company enters into derivatives for risk management purposes. These include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Company has elected not to apply hedge accounting requirements.

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

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Assets
Index derivatives	228.06	440.73	228.06	226.32
Total derivative financial instruments Assets	228.06	440.73	228.06	226.32

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 44: FINANCIAL RISK MANAGEMENT (Contd..)

#### 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 Company (group company) has been used to compute PD.

#### Loss Given Default (LGD)

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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 44: FINANCIAL RISK MANAGEMENT (Contd..)

#### Exposure at default (EAD)

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

#### iii) Reconciliation of loss allowance provision

(₹ in Lakhs)

Reconciliation of loss allowance	Loss allowance measured at 12 month expected		
	For Trade Receivables	For Loans	For other Financial Assets
Loss allowance on 31 March 2021	335.83	128.36	110.24
Changes in loss allowances due to			
Bad debts written off	-	-	-
Net remeasurement of loss allowance	28.91	(43.25)	(10.24)
Loss allowance on 31 March 2022	306.91	85.11	100.00

Loans that are past due but not impaired

Loans that are 'past due but not impaired' are those for which contractual interest or principal payments are past due but Company believes that impairment is not appropriate on the basis of the level of security or collateral available and/or the stage of collection of amounts owed to Company.

As of 31st March 2022, Company does not have any exposure on loans and advances that were modified but not derecognised during the year, for which the provision for doubtful debts was measured at a lifetime ECL at the beginning of the year and at the end of the year had changed to 12- months ECL.

#### Concentration of credit risk

The Company monitors concentrations of credit risk by sector and by segments. The major portfolio of Company is under Investments. Company regularly track the performance of the investment portfolio as this has high concentration risk.

#### b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

#### Financing arrangements

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

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Undrawn borrowing facilities	3,951	6,000.00

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 44: FINANCIAL RISK MANAGEMENT (Contd..)

#### Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities, and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### As at March 31, 2022

(₹ in Lakhs)

Particulars	Carrying amount	Contractual cash flows					
		Gross nominal inflow/ (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
<b>Non-derivative financial liabilities</b>							
Debt securities	27,109.69	(45,614.00)	-	-	(6,162)	(23,189.00)	(16,263)
Borrowings (other than Debt securities)	9,464.78	(9,488.08)	(245.69)	(574.88)	(8,197.59)	(129.84)	(340.08)
Other financial liabilities	4,820.47	(4,750.87)	(26.52)	0.00	(1,086.35)	(2,912.41)	(725.59)
	<b>41,394.94</b>	<b>(59,852.94)</b>	<b>(272.20)</b>	<b>(574.88)</b>	<b>(15,445.94)</b>	<b>(26,231.25)</b>	<b>(17,328.67)</b>
<b>Derivative financial assets</b>							
Options	440.73	440.73	129.48	-	284.03	27.23	-
<b>Derivative financial liabilities</b>							
Embedded derivatives on redeemable market linked debentures	17,497.16	(17,497.16)	-	-	(1,458.05)	(8,986.09)	(7,053.02)
	<b>17,056.43</b>	<b>(17,056.43)</b>	<b>129.48</b>	<b>-</b>	<b>(1,174.03)</b>	<b>(8,958.87)</b>	<b>(7,053.02)</b>

#### As at March 31, 2021

(₹ in Lakhs)

Particulars	Carrying amount	Contractual cash flows					
		Gross nominal inflow/ (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
<b>Non-derivative financial liabilities</b>							
Debt securities	23,825.33	(31,559.00)	(1,795.00)	(5,171.00)	(8,873.00)	(15,720.00)	-
Borrowings (other than Debt securities)	1,825.87	(1,882.16)	(47.67)	(262.46)	(920.96)	(335.99)	(315.08)
Other financial liabilities	4,626.91	(4,626.91)	(702.40)	(1,849.83)	(1,172.73)	(893.38)	(8.57)
	<b>30,278.11</b>	<b>(38,068.07)</b>	<b>(2,545.07)</b>	<b>(7,283.29)</b>	<b>(10,966.69)</b>	<b>(16,949.37)</b>	<b>(323.65)</b>
<b>Derivative financial assets</b>							
Options	226.32	226.32	-	-	199.10	27.23	-
<b>Derivative financial liabilities</b>							
Embedded derivatives on redeemable market linked debentures	7,499.55	(7,499.55)	(686.75)	(957.17)	(1,812.96)	(4,042.68)	-
	<b>7,725.87</b>	<b>(7,273.23)</b>	<b>(686.75)</b>	<b>(957.17)</b>	<b>(1,613.86)</b>	<b>(4,015.45)</b>	<b>-</b>

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 44: FINANCIAL RISK MANAGEMENT (Contd..)

#### c. Market risk

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

Total market risk exposure

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Carrying amount	Traded risk	Non traded risk	Carrying amount	Traded risk	Non traded risk
<b>Assets</b>						
Cash and cash equivalents	2,022.94	-	2,022.94	1,014.41	-	1,014.41
Bank balance other than cash and cash equivalents above	1,583.02	-	1,583.02	4.27	-	4.27
Derivative financial instruments	440.73	-	440.73	226.32	-	226.32
Trade Receivables	300.61	-	300.61	339.39	-	339.39
Loans	820.46	-	820.46	20,368.17	-	20,368.17
Investments - at amortised cost	97,104.35	-	97,104.35	60,826.67	-	60,826.67
Investments - at FVOCI	-	-	-	-	-	-
Investments - at FVTPL	10,763.49	10,763.49	-	2,053.24	2,053.24	-
Other financial assets	115.36	-	115.36	2,795.78	-	2,795.78
<b>Liabilities</b>						
Derivative financial instruments	17,497.16	-	17,497.16	7,499.55	-	7,499.55
Debt securities	27,109.69	-	27,109.69	23,825.33	-	23,825.33
Borrowings (other than Debt securities)	9,464.78	-	9,464.78	1,483.76	-	1,483.76
Other financial liabilities	4,820.47	-	4,820.47	4,626.91	-	4,626.91

#### i) Price risk

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

(₹ in Lakhs)

Particulars	As at March 31, 2022			
	Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease
(a) Equity Instruments	5.37	(5.37)	-	-
(b) Debt securities	68.07	(68.07)	-	-
(c) Preference shares	8.92	(8.92)	-	-
(d) Units of Mutual funds	0.06	(0.06)	-	-
(e) Government and corporate securities	12.93	(12.93)	-	-
(f) Units of private equity	12.29	(12.29)	-	-
(e) Options(net)	4.41	(4.41)	-	-



## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 44: FINANCIAL RISK MANAGEMENT (Contd..)

Particulars	(₹ in Lakhs)			
	As at March 31, 2021			
	Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease
(a) Equity Instruments	5.22	(5.22)	-	-
(b) Debt securities	-	-	-	-
(c) Preference shares	8.75	(8.75)	-	-
(d) Units of Mutual funds	0.06	(0.06)	-	-
(e) Government and corporate securities	-	-	-	-
(e) Units of private equity	6.51	(6.51)	-	-
(e) Options(net)	2.26	(2.26)	-	-

#### ii) Currency risk : Trade Receivable

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's exposures to unhedged foreign currency risk as at the end of reporting periods expressed in INR as follows :

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Loan & advances to related parties	Nil	Nil
Trade Receivable	23.98	Nil
	(USD 31,637 @ Closing rate of 1USD = ₹ 75.81)	

#### Sensitivity

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

Particulars	(₹ in Lakhs)	
	Impact on Profit before tax	
	March 31, 2022	March 31, 2021
INR/USD Sensitivity increase by 5%	1.20	Nil
INR/USD Sensitivity decrease by 5%	(1.20)	Nil

#### iii) Interest rate risk

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

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

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 44: FINANCIAL RISK MANAGEMENT (Contd..)

#### Exposure to interest rate risk

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

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Fixed-rate instruments</b>		
Financial assets	820.46	20,368.17
Financial liabilities	36,549.48	25,284.09
<b>Variable-rate instruments</b>		
Financial assets	Nil	Nil
Financial liabilities	Nil	Nil

### Note 45: Key Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Sr. No.	Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance %	Reason for change by more than 25%
1	Current Ratio	Current Assets	Current Liability	0.28	1.17	(76%)	Due to increase in current debt
2	Debt Equity Ratio	Total Borrowings	Equity	1.08	0.62	74%	Due to increase in borrowings
3	Debt Service Coverage Ratio	EBITDA	Interest + Current Debt	0.15	0.13	19%	
4	Trade receivables Turnover (times)	Net Credit Sales	Avg Trade Receivable	8.78	5.06	73%	Better collection during the year
5	Return on Equity	Profit After Tax	Closing Shareholder's Equity	(6.68%)	(1.68%)	297%	Decline in ratio is due to drop in profitability during the year
6	Trade Payables Turnover (times)	NA	NA	NA	NA	NA	
7	Return on Capital employed	Profit before interest and tax	Closing Capital Employed	2.44%	3.37%	(28%)	Due to drop in profitability during the year
8	Return on Investments	NA	NA	NA	NA	NA	
9	Net Profit ratio	Profit After Tax	Revenue From Operations	(80.36%)	(24.97%)	222%	Due to drop in profitability during the year
10	Net capital turnover ratio	Revenue From Operations	Net Working Capital	-	-	-	Net working capital is negative
11	Inventory Turnover (times)	Not Applicable	Not Applicable	NA	NA	NA	

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

**Note 46:** As per amended Schedule III, the Company has to report below details for any transactions entered with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 :

Sr. No.	Name of Struck off Company	Nature of transactions with struck-off company	Balance outstanding as on March 31, 2022	Relationship with the struck off Company, if any, to be disclosed.	Balance outstanding as on March 31, 2021	Relationship with the struck off Company, if any, to be disclosed.
1	Shrinath Cotfab Private Limited	Trade receivables	0.90	Not Applicable	0.90	Not Applicable

**Note 47 :** The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of amendments dated March 24, 2021 in Schedule III to the Companies Act 2013 with effect from April 01, 2021:-

- i) There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as applicable.
- ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year 2021-22.
- iii) There is no proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- iv) The details is not applicable to the Company, related to transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme and shall also state whether the previously unrecorded income and related assets have been properly recorded in the books of account during the year.
- v) The Company is not declared wilful defaulter by any bank or financial Institution or other lender.
- vi) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall : (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- vii) The Company has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall : (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

### Note 48: SEGMENT INFORMATION

In accordance with Ind AS 108, 'Operating Segment', segment information has been given in the consolidated financial statements and therefore, no separate disclosure on segment information is given in these financial statements.

## Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2022

### Note 49: DISCLOSURE WITH REGARD TO DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES

Based on the information available with the Company and has been relied upon by the auditors, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2022 together with interest paid /payable are required to be furnished.

**Note 50:** Amount shown in ₹ 0.00 represents amount below ₹ 5000(Rupees Five Thousand)

### Note 51: EVENTS OCCURRING AFTER THE REPORTING PERIOD

During the year, there have been no events after the reporting date that require disclosure in these standalone financial statements.

### Note 52: PREVIOUS YEAR COMPARATIVES

Figures for the previous year have been regrouped wherever necessary to confirm to the current year in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective from April 01, 2021.

Signatures to Notes 1 to 52

#### SHARP & TANNAN

Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

#### Edwin P. Augustine

Partner  
Membership No.043385

Place : Mumbai

Date : May 30, 2022

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

#### Jaspal Singh Bindra

Executive Chairman  
DIN : 00128320

#### Sriram Venkatasubramanian

Chief Financial Officer

#### Parthasarathy Iyengar

Company Secretary  
Membership No. A21472

# INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Centrum Capital Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **Centrum Capital Limited** (the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as the 'Group'), its associate, which comprise the Consolidated Balance Sheet as at 31st March, 2022, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, of its consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the *Code of Ethics* issued by the Institute of Chartered Accountants of India (the 'ICAI') and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in

accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 62 to the consolidated financial statements regarding the accounting treatment, including the valuation and measurement of assets and liabilities taken over from erstwhile Punjab and Maharashtra Co-operative Bank Limited ('PMC Bank') in accordance with the Punjab and Maharashtra Co-operative Bank Limited (Amalgamation with Unity Small Finance Bank Limited) Scheme, 2022 sanctioned by the Government of India in exercise of the powers conferred by Section 45(7) of Banking Regulation Act, 1949 (10 of 1949).

We draw attention to Note 63 (a) and 63 (b) to the consolidated financial statements regarding fraud in erstwhile PMC Bank for which full provision has been made.

We draw attention to Note 63 (c) to the consolidated financial statements regarding disputes relating to erstwhile PMC Bank and the Scheme of Amalgamation.

We draw attention to Note 73 to the consolidated financial statements which explains the extent to which covid-19 pandemic will impact the Group's (including its associate) financial performance.

Our opinion is not modified in respect of these matters.

### Key Audit Matters

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter(s)
<b>1.</b>	<p><b>Valuation of Market Linked Debentures</b> (Refer Note 22 to the consolidated financial statements)</p> <p>The Group has significant amount of outstanding Market Linked Debentures (MLDs) as on 31st March, 2022 which amounts to ₹ 98,235.58 lakhs.</p> <p>We have identified the valuation of and the accounting treatment for MLDs as a key audit matter because the accounting and valuation of MLDs involves a significant degree of management's judgment and external expert's opinion.</p> <p>The Group has engaged external experts for valuation of MLDs.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Inspected Board minutes and other appropriate documentation of authorization to assess whether the transactions were appropriately authorized;</li> <li>• Understood the design and implementation of relevant internal controls with respect to MLDs;</li> <li>• Performed necessary audit procedures to test the operating effectiveness of the relevant internal controls with respect to MLDs during the year ended and as of 31st March, 2022;</li> <li>• Verified the terms and condition of the MLDs with the MLDs deed, prospectuses and other supporting documents;</li> <li>• Verified the calculations carried out to separate the derivative component from MLDs;</li> <li>• We examined the valuation report from external experts engaged by the Group to identify the value of derivative element which was assessed by us particularly with reference to underlying assumptions in discussion with external experts; and</li> <li>• We have also verified the independence and competence of the valuers and scope of the assignments.</li> </ul>
<b>2.</b>	<p><b>Impairment of loans and advances to customers</b> (Centrum Housing Finance Limited ('CHFL'), a subsidiary company)</p> <p>Under Ind AS 109, <i>Financial Instruments</i>, allowance for loan losses determined using expected credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgment and estimates. The critical areas where we identified greater levels of management judgment and therefore enhanced levels of audit focus in the company's estimation of ECLs are:</p> <ul style="list-style-type: none"> <li>• Data inputs – The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model;</li> <li>• Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Defaults ('PD'), Loss Given Default ('LGD'), and Exposure at Default ('EAD'). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of CHFL's modelling approach;</li> <li>• Economic Scenarios – Ind AS 109 requires the company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgment is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from covid-19;</li> </ul>	<p>Our audit procedures included but were not limited to the following:</p> <p>Design / Controls</p> <p>We performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL process. We tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in the ECL process.</p> <p>Key aspects of our control testing involved the following:</p> <ul style="list-style-type: none"> <li>• Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models;</li> <li>• Testing the 'Governance Framework' controls over validation, implementation and model monitoring in line with the RBI guidance;</li> <li>• Testing the design and operating effectiveness of the key controls over the application of the staging criteria;</li> <li>• Testing management's controls over authorisation and calculation of post model adjustments and management overlays;</li> <li>• Testing management's controls on compliance with the Ind AS 109 disclosures related to ECL; and</li> <li>• Testing Key controls operation over information technology in relation to loan impairment management systems, including system access and system change management, program development and computer operations.</li> </ul>

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter(s)
	<ul style="list-style-type: none"> <li>Restructuring – CHFL has restructured loans in the current year on account of covid-19 related regulatory measures. This has resulted in increased management estimation over determination of losses for such restructured loans; and</li> <li>Qualitative adjustments – Adjustments to the model – driven ECL results are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. These adjustments are inherently uncertain and significant management judgment is involved in estimating these amounts especially in relation to economic uncertainty as a result of covid-19.</li> </ul> <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The credit risk sections of the financial statements as a whole, and possibly many times that amount. The credit risk sections of the financial statements disclose the sensitiveness estimated by CHFL.</p> <p><b>Disclosures</b></p> <p>The disclosures regarding the CHFL's application of Ind AS 109 are vital to explaining the key judgments and material inputs to the ECL results. Further, disclosures to be provided as per RBI circulars with regards to non- performing assets and provisions are an area of focus, particularly as they are related to an area of significant estimate.</p>	<p>We also performed the following important tests:</p> <ul style="list-style-type: none"> <li>Evaluating the appropriateness of the Company's impairment methodologies and reasonableness of assumptions used (including management overlays);</li> <li>For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology; and</li> <li>The reasonableness of CHFL's considerations of the impact of the current economic environment due to covid-19 on the ECL determination.</li> </ul> <p>Test of Details</p> <p>Key aspects of our testing included:</p> <ul style="list-style-type: none"> <li>Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and the model assumptions applied;</li> <li>Test of details of post model adjustments, considering the size and complexity of management overlays with a focus on covid-19 related overlays, in order to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data; and</li> <li>Assessing disclosures – We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining the ECL.</li> </ul> <p>As a part of this activity, we assessed the sensitivity analysis that is disclosed. In addition, we assessed whether the disclosure of the key judgments and assumptions made was appropriately and sufficiently clear.</p>
<b>3.</b>	<b>Transfer of entire NBFC business to Unity Bank pursuant to Business Transfer Agreement and consequential conversion from NBFC-ND-SI to CIC-ND-SI.</b>	<b>Principal Audit Procedures –</b>
	<p>Centrum Financial Services Limited ('CFSL') effected transfer of its business to Unity Small Finance Bank Limited ('Unity Bank'), a subsidiary of the CFSL, on 1st November, 2021. Pursuant to the aforesaid Business Transfer Agreement ('BTA') dated 26th October 2021, the CFSL has discontinued its lending business. All Assets and Liabilities of the CFSL as on 31st October, 2021 have been transferred to the Bank by way of a slump sale. After transfer of business the company has applied for converting CFSL, registered as a Systemically Important - Non-Deposit Accepting - Non-Banking Financial Company - Investment and Credit Company, into a Core Investment Company. Consequently, CFSL has made disclosures as applicable to CIC-ND-SI as on 31st March, 2022 – pending approval from the RBI.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>Obtained and read the BTA dated 26th October, 2021;</li> <li>Obtained and read the Notification dated 25th January, 2022 for approval of the Scheme by the Central Government;</li> <li>Examined the accounting of the transaction in books of account and proof of receipt of sale consideration;</li> <li>Obtained and examined the application dated 13th January, 2022 filed with RBI for registering CFSL as the Core Investment Company;</li> <li>Assessed CFSL's eligibility criteria for registration as CIC-ND-SI as per RBI guidelines with respect to assets size of Rs100 crore or more and holding not less than 90% of net assets in the form of investments in shares, preference shares, bonds, debentures, debt or loan in Group companies;</li> </ul>

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter(s)
	<p>This has been identified as a Key Audit Matter due to:</p> <ul style="list-style-type: none"> <li>• Significance of this matter;</li> <li>• This being the first year of conversion from NBFC-ND-SI to CIC-ND-SI; and</li> <li>• Risk of material information relating to such matter not getting disclosed in consolidated financial statements.</li> </ul>	<ul style="list-style-type: none"> <li>• Had discussion and obtained representation from the management relating to this Scheme and status of pending approval from RBI;</li> <li>• Examined the approval of the Board and the Audit Committee for entering into this transaction; and</li> <li>• Read the disclosures made in this regard in the financial statements to assess whether the relevant and material information have been disclosed.</li> </ul>

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

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

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the

Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group and of its associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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



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

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

other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Other Matter

We did not audit the financial statements of thirteen (13) subsidiaries and one (1) Trust, whose financial statements reflect total assets of ₹ 12,98,613.92 lakhs and net assets of ₹ 2,93,476.59 lakhs as at 31st March, 2022, total revenues of ₹ 77,538.34 lakhs and net cash inflows amounting to ₹ 4,21,752.42 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include Group's share of net loss of ₹ (12,414.09) lakhs for the year ended 31st March, 2022, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of Section 143(3) and 143(11) of the Act, in so far as it relates to the aforesaid subsidiaries, and associate, is based solely on the reports of the other auditors.

We did not audit the financial statements of three (3) subsidiaries, whose financial statements reflect total assets of ₹ 868.00 lakhs and net assets of ₹ 680.55 lakhs as at March 31, 2022, total revenues of ₹ 314.00 lakhs and net cash outflows amounting to

₹ 133.20 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of Section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

The annual consolidated financial statements for the year ended 31st March, 2021 was audited by another auditor, vide their unmodified audit report dated 22nd June, 2021, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the consolidated financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) in our opinion, the aforesaid consolidated financial statements comply with Indian Accounting Standards specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company, incorporated in India, none of the directors of the Group companies and associate company is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A';
- g) with respect to the other matters to be included in the Auditor's Report in accordance with the Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company, its subsidiary companies and associate company incorporated in India, where applicable, to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies and associate company incorporated in India is not in excess of the limit laid down under Section 197 of the Act. Further, the Ministry of Corporate Affairs has not prescribed other details under aforesaid section which are required to be commented upon by us;
- h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate - (Refer Note 47 to the consolidated financial statements);
  - (ii) provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – (Refer Note 8 to the consolidated financial statements) in respect of such items as it relates to the Group and its associate;
  - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate company incorporated in India;
  - (iv) (a) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the consolidated financial statements, during the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiaries or associate incorporated in India to or in any other person or entity, including foreign entities (the 'Intermediaries'),

- with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary companies incorporated in India (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the consolidated financial statements during the year, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any person or entity, including foreign entities (the 'Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiaries or associate incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (c) based on such audit procedures, we have considered reasonable and appropriate in the circumstances that nothing has come to our notice that has caused us to believe that the representations under paragraph (a) and (b) above, contain any material misstatement.
- (v) The Holding Company has not declared nor paid any dividend during the year. Further, based on the audit reports of the subsidiary companies and associate company, incorporated in India, those entities have not declared nor paid any dividend during the year. Accordingly, reporting on the compliance with Section 123 of the Act is not applicable.
- (vi) With respect to the matters specified in the Paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Report, and according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its subsidiaries and associate company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in those CARO reports.

**SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No.109982W  
by the hand of

**Edwin P. Augustine**

Partner  
Membership No. 043385  
UDIN: 22043385AJXFCX1211

Mumbai, 30th May, 2022

# ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) of our report of even date)

## Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013 (the 'Act')

In conjunction with our audit of the consolidated financial statements of the **Centrum Capital Limited** (the 'Holding Company') as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

## Management's Responsibility for Internal Financial Controls

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

## Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial

controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls Over Financial Reporting

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matter paragraph below, the Holding Company, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting *criteria*

established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to thirteen (13) subsidiary companies and one (1) associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

#### **SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No.109982W  
by the hand of

#### **Edwin P. Augustine**

Partner  
Membership No. 043385  
UDIN: 22043385AJXFCX1211

Mumbai, 30th May, 2022

# Consolidated Balance Sheet

as at March 31, 2022

(₹ in Lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	6	4,39,877.04	20,909.16
Bank balance other than cash and cash equivalents above	7	23,151.84	26,317.78
Derivative financial instruments	8	1,402.74	4,410.05
Receivables			
- Trade Receivables	9	3,459.89	3,456.92
Loans	10	3,57,254.84	2,18,389.98
Investments	11	2,86,737.08	7,783.09
Other financial assets	12	4951.95	6404.40
		<b>11,16,835.38</b>	<b>2,87,671.38</b>
<b>Non-financial assets</b>			
Current tax assets (net)	13	3,428.58	4,559.44
Deferred tax assets (net)	40	78,565.99	5,146.68
Property, plant and equipment	14	31,606.15	5,810.95
Right-of-Use assets	15	3,019.14	1,631.54
Capital work-in-progress	16	21.43	7.94
Goodwill on consolidation	49	4,779.42	4,779.42
Goodwill	49	-	3,943.37
Other intangible assets	17	1,127.28	781.55
Other non-financial assets	18	9,808.99	1,666.80
Assets held for sale	19	318.50	-
		<b>1,32,675.48</b>	<b>28,327.69</b>
<b>Total Assets</b>		<b>12,49,510.86</b>	<b>3,15,999.07</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Derivative financial instruments	20	33,155.20	17,178.14
Payables			
- Trade Payables	21		
(i) total outstanding dues of micro enterprises and small enterprises		-	5.41
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		11,298.36	8,158.14
- Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		6,740.50	4.00
Debt securities	22	1,42,330.73	1,30,466.62
Borrowings (other than Debt securities)	23	85,241.08	62,866.73
Deposits	24	3,83,790.95	-
Subordinated liabilities	25	-	1,000.00
Other financial liabilities	26	3,56,115.64	15,714.05
		<b>10,18,672.46</b>	<b>2,35,393.09</b>
<b>Non-financial liabilities</b>			
Provisions	27	29,228.65	860.04
Other non-financial liabilities	28	2,664.75	2,121.17
		<b>31,893.40</b>	<b>2,981.21</b>
		<b>10,50,565.86</b>	<b>2,38,374.30</b>
<b>Equity</b>			
Equity share capital	29	4,160.33	4,160.33
Other equity	30	63,329.70	53,789.68
Equity attributable to owners of the Company		67,490.03	57,950.01
Non-controlling interests		1,31,454.97	19,674.76
		<b>1,98,945.00</b>	<b>77,624.77</b>
<b>Total Liabilities and Equity</b>		<b>12,49,510.86</b>	<b>3,15,999.07</b>

Corporate Information and Significant accounting policies

1-5

The accompanying notes 1 to 79 form an integral part of the consolidated financial statements

As per our report attached

**SHARP & TANNAN**Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of**Edwin P. Augustine**Partner  
Membership No. 043385Place : Mumbai  
Date : May 30, 2022For and on behalf of Board of Directors of  
**Centrum Capital Limited****Jaspal Singh Bindra**Executive Chairman  
DIN : 00128320**Sriram Venkatasubramanian**  
Chief Financial Officer**Parthasarathy Iyengar**Company Secretary  
Membership No. A21472

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
<b>Revenue from operations</b>			
Interest income	31	38,452.00	30,981.72
Fees and commission income	32	23,729.03	16,585.65
Net gain on fair value changes	33	(1,067.41)	2,214.01
Income from trading		5,812.48	-
Other operating income	34	1,459.71	240.53
<b>Total revenue from operations</b>		<b>68,385.81</b>	<b>50,021.91</b>
<b>Other income</b>	35	1,978.51	1,292.62
<b>Total Income</b>		<b>70,364.32</b>	<b>51,314.53</b>
<b>Expenses</b>			
Finance costs	36	32,998.70	23,842.87
Impairment on financial instruments (net)	37	3,478.58	1,697.43
Purchase of Stock-in-trade		5,839.76	-
Employee benefits expenses	38	25,913.11	19,647.13
Depreciation and amortisation	39	2,146.81	1,919.21
Other expenses	40	18,419.23	7,407.72
<b>Total Expenses</b>		<b>88,796.19</b>	<b>54,514.36</b>
<b>Profit/(Loss) before tax</b>		<b>(18,431.87)</b>	<b>(3,199.83)</b>
<b>Tax expense :</b>			
- Current tax	41	593.22	562.86
- Deferred tax charge/ (credit)	41	(42.94)	(83.57)
- Tax adjustments for earlier years	41	11.77	501.75
<b>Total tax expenses</b>		<b>562.05</b>	<b>981.04</b>
<b>Profit/(Loss) after tax before share of profit/(loss) in associate</b>		<b>(18,993.92)</b>	<b>(4,180.87)</b>
Share of profit/(loss) in associate		-	-
<b>Profit/(Loss) for the year</b>		<b>(18,993.92)</b>	<b>(4,180.87)</b>
<b>Other Comprehensive Income (OCI)</b>			
<b>i. Items that will not be reclassified to profit or loss</b>			
(a) Change in fair value of equity instruments through OCI		-	(0.68)
(b) Remeasurement of Defined benefit plan		(612.83)	(62.91)
(c) Income tax relating to items that will not be reclassified to profit or loss	41	165.98	5.01
<b>ii Items that will be reclassified to profit or loss</b>			
(a) Debt instruments through OCI		-	-
(b) Currency exchange difference on translation, net of tax		(0.29)	4.03
(c) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income (OCI)</b>		<b>(447.14)</b>	<b>(54.55)</b>
<b>Total Comprehensive Income for the year</b>		<b>(19,441.06)</b>	<b>(4,235.42)</b>
Profit/(Loss) for the year attributable to:		(18,993.92)	(4,180.87)
Owners of the Company		(17,674.21)	(4,687.19)
Non-controlling interests		(1,319.71)	506.32
Other Comprehensive Income for the year attributable to :		(447.14)	(54.55)
Owners of the Company		(245.85)	(37.39)
Non-controlling interests		(201.28)	(17.16)
<b>Total Comprehensive Income for the year attributable to :</b>		<b>(19,441.06)</b>	<b>(4,235.42)</b>
Owners of the Company		(17,920.07)	(4,724.58)
Non-controlling interests		(1,520.99)	489.16
<b>Earning per equity share [Face Value of Shares ₹ 1 (Previous year : ₹ 1)]</b>			
Basic (₹)	42	(4.25)	(1.13)
Diluted (₹)	42	(4.25)	(1.13)

Corporate Information and Significant accounting policies 1-5

The accompanying notes 1 to 79 form an integral part of the consolidated financial statements

As per our report attached

**SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

**Edwin P. Augustine**

Partner  
Membership No. 043385

Place : Mumbai  
Date : May 30, 2022

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

**Jaspal Singh Bindra**

Executive Chairman  
DIN : 00128320

**Sriram Venkatasubramanian**  
Chief Financial Officer

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

# Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash flows from Operating Activities:</b>		
Profit/ (Loss) before tax	(18,431.87)	(3,199.83)
<b>Adjustments for:</b>		
Depreciation and amortisation	2,146.81	1,919.21
Impairment on financial assets (net)	10,416.74	1,697.43
Net effect of exchange rate changes	(68.14)	4.42
Interest income	2,778.73	(809.19)
Loss/(Profit) on sale of investments (net)	(49.85)	-
Net gain on fair value changes	260.58	(2,214.01)
Loss/(Profit) on sale of property, plant and equipment	1.09	0.77
Property, plant and equipment written-off	15.39	121.55
Gain on modification of Right-of-Use assets / sub-lease	(37.32)	(5.84)
Employees stock option provision	(467.04)	397.96
Dividend on perpetual non-cumulative preference shares	400.48	-
Dividend income on investments	(6.90)	(1.00)
Finance costs	11,286.72	7,469.63
<b>Operating profit before working capital changes</b>	<b>8,245.42</b>	<b>5,381.10</b>
<b>Adjustments for :</b>		
Decrease/(Increase) in other financial assets	8,434.47	2,667.26
Increase/(Decrease) in other liabilities and provisions	(7,535.88)	(168.16)
Decrease/(Increase) in other Bank balances	12,503.47	-
Decrease/(Increase) in loans	(80,476.47)	(18,220.39)
Decrease/(Increase) in trade receivables	(663.12)	2,759.35
Increase/(Decrease) in other financial liabilities	(31,106.86)	209.42
Increase/(Decrease) in derivatives financial instruments (net)	5,653.09	2,488.30
Increase/(Decrease) in other non financial liabilities	28,169.98	(22.57)
Increase/(Decrease) in trade payables	3,177.14	(334.33)
Increase/(Decrease) in other liabilities and provisions	837.79	925.30
<b>Cash generated from operations</b>	<b>(52,760.97)</b>	<b>(4,314.72)</b>
Direct taxes paid (net of refunds)	(1,608.76)	277.88
<b>Net cash (used in) / generated from operating activities</b>	<b>(54,369.74)</b>	<b>(4,036.84)</b>
<b>Cash flows from Investing Activities:</b>		
Purchase of property, plant and equipment, Intangible assets and goodwill	(4,804.50)	(539.40)
Proceeds from sale of property, plant and equipment	17.65	69.18
Sale / (Purchase) of Treasury shares	-	62.50
Proceeds/(Investment) in term deposits	(1,057.32)	(2,630.73)
Acquisition / Proceeds from purchase / sale of investments (net)*	(28,234.75)	(2,767.89)
Loans and advances given (net of repayments)	459.81	(733.72)
Interest received	5,021.92	913.30
Dividend income on investments	6.90	1.00
<b>Net cash (used in) / generated from investing activities</b>	<b>(28,590.29)</b>	<b>(5,625.76)</b>



# Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash flows from Financing Activities:</b>		
Proceeds from issuance of share capital	74,572.29	-
Proceeds/(Repayment) of Debt securities (net) *	37,812.26	68,402.54
Proceeds/(Repayment) of Borrowings (other than Debt securities) (net) *	3,58,411.92	(44,444.57)
Payment of lease liabilities	(448.70)	(1,225.35)
Finance costs	(12,813.25)	(9,041.53)
<b>Net cash (used in)/ generated from financing activities</b>	<b>4,57,534.52</b>	<b>13,691.09</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,74,574.49</b>	<b>4,028.49</b>
<b>Cash and cash equivalents as at the beginning of the year (refer Note 6)</b>	<b>20,909.16</b>	<b>16,880.67</b>
Cash and cash equivalents received under BTA (dated November 01, 2021)	44,393.39	-
<b>Cash and cash equivalents as at the beginning of the year (refer Note 6)</b>	<b>4,39,877.04</b>	<b>20,909.16</b>

(\*net figures have been reported on account of volume of transactions)

Notes

- The above consolidated statements cash flows have been prepared under the indirect method set out in the Indian Accounting Standard (Ind AS) 7, *Statement of Cash Flows*.
- The disclosures relating to changes in liabilities arising from financing activities (refer Note 55).
- Figures for the previous year have been regrouped wherever necessary.

As per our report attached

**SHARP & TANNAN**  
Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

**Edwin P. Augustine**  
Partner  
Membership No. 043385

Place : Mumbai  
Date : May 30, 2022

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

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

**Sriram Venkatasubramanian**  
Chief Financial Officer

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

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

## A. Equity Share Capital (Equity shares of Face value ₹ 1 each issued, subscribed and fully paid) :

Particulars	Number of Shares	Amount (₹ In Lakhs)
<b>As at April 01, 2020</b>	<b>41,60,32,740</b>	<b>4,160.33</b>
Changes in Equity share capital during the year	-	-
<b>Restated balance at the beginning of the current reporting period</b>	<b>41,60,32,740</b>	<b>4,160.33</b>
Changes in Equity share capital during the year	-	-
<b>As at March 31, 2022</b>	<b>41,60,32,740</b>	<b>4,160.33</b>

## B. Other equity

Particulars	Reserves and Surplus										Other Comprehensive Income		Total other equity					
	Money received against share warrants	Capital reserve	Securities premium	Debt redemption reserve	Capital reserve on amalgamation	Treasury shares	ESOP Trust reserve	Statutory reserve	Special reserve	Impairment reserve	Redemption reserve	Capital reserve on consolidation		Share option outstanding account	General reserve	Retained earnings	Component of financial instrument	Equity Instruments through Other Comprehensive Income
<b>As at April 01, 2020</b>	-	0.00	20,892.03	8,438.25	-	(2,373.04)	2,387.26	311.49	61.42	659.65	93.31	1,047.05	1,016.77	1,696.20	23,916.03	(90.08)	(42.28)	58,014.04
Profit/(Loss) for the year	-	-	-	-	-	-	(10.48)	-	-	-	-	-	-	-	(4,676.71)	-	-	(4,687.19)
Other Comprehensive Income/(loss), net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(36.71)	-	(0.68)	(37.39)
<b>Total Comprehensive Income/(loss) for the year</b>	-	-	-	-	-	-	(10.48)	-	-	-	-	-	-	-	(4,713.42)	-	(0.68)	(4,724.58)
Dividend paid on equity shares (including tax thereon)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share-based Payment	-	-	-	-	-	-	-	-	-	-	-	-	397.96	-	-	-	-	397.96
Transfers to General Reserve	-	-	-	(2,643.90)	-	-	-	-	-	-	-	(76.95)	2,720.85	-	-	-	-	-
Transfers to Impairment Reserve	-	-	-	-	-	-	-	-	960.17	-	-	-	-	-	(960.17)	-	-	-
Transfers to Statutory Reserve	-	-	-	-	-	-	-	74.66	-	-	-	-	-	-	(74.66)	-	-	-
Transfers to Special Reserve	-	-	-	-	-	-	-	-	217.68	-	-	-	-	-	(217.68)	-	-	-
Sale of Treasury shares	-	-	-	-	-	62.50	-	-	-	-	-	-	-	-	-	375.43	-	62.50
Effect of change in Group interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	375.43
Adjustments on account of change in holdings	-	-	-	-	-	-	-	-	-	-	-	(320.37)	-	-	-	-	(15.30)	(335.67)
<b>Balance as at March 31, 2021</b>	-	0.00	20,892.03	5,794.35	-	(2,310.54)	2376.77	386.15	279.10	1,619.82	93.31	1,047.05	1,337.78	4,417.05	17,629.73	375.43	(90.76)	53,789.68
Profit/(Loss) for the year	-	-	-	-	-	-	(11.77)	-	-	-	-	-	-	-	(17,662.44)	-	-	(17,674.21)
Other Comprehensive Income/(loss), net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(245.85)	-	-	(245.85)
<b>Total Comprehensive Income/(loss) for the year</b>	-	-	-	-	-	-	(11.77)	-	-	-	-	-	-	-	(17,908.29)	-	-	(17,920.06)
Dividend paid on equity shares (including tax thereon)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

## B. Other equity (Contd..)

(₹ in Lakhs)

Particulars	Money received against share warrants	Reserves and Surplus										Equity Component of		Other Comprehensive Income	Foreign exchange translation reserve	Total other equity		
		Capital reserve	Securities premium	Debt redemption reserve	Capital reserve on amalgamation	Treasury shares	ESOP Trust reserve	Statutory reserve	Special reserve	Impairment reserve	Capital redemption reserve	Capital reserve on consolidation	Share option outstanding account				General reserve	Retained earnings
Share-based Payment	-	-	-	-	-	-	-	-	-	-	-	172.65	-	-	-	-	-	172.65
Employee share options - Forfeiture of ESOS	-	-	-	-	-	-	-	-	-	-	-	(503.96)	-	-	-	-	-	(503.96)
Transfers to/ (from) General reserve	-	-	(1,741.50)	-	-	-	-	-	-	-	-	-	1,741.50	-	-	-	-	-
Transfers to/ (from) Impairment reserve	-	-	-	-	-	-	-	188.20	-	-	-	-	-	-	(188.20)	-	-	-
Transfers to Statutory reserve	-	-	-	-	-	-	-	-	(141.00)	-	-	-	-	-	141.00	-	-	-
Transfers to/ (from) Special reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions during the year	-	20,416.36	-	15,103.33	-	-	-	-	-	-	-	-	-	-	(7,368.75)	-	15.88	35,535.57
Adjustments on account of change in holdings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,744.18)
<b>Balance as at March 31, 2022</b>	-	<b>41,308.39</b>	<b>4,052.85</b>	<b>15,103.33</b>	<b>(2,310.54)</b>	<b>2,365.00</b>	<b>245.15</b>	<b>279.10</b>	<b>1,808.02</b>	<b>93.31</b>	<b>1,047.05</b>	<b>1,006.47</b>	<b>6,158.55</b>	<b>(7,694.51)</b>	-	<b>(90.76)</b>	<b>(41.70)</b>	<b>63,329.70</b>

As per our report attached

### SHARP & TANNAN

Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

### Edwin P. Augustine

Partner  
Membership No. 043385

Place : Mumbai  
Date : May 30, 2022

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

### Jaspal Singh Bindra

Executive Chairman  
DIN : 00128320

### Sriram Venkatasubramanian

Chief Financial Officer

### Parthasarathy Iyengar

Company Secretary  
Membership No. A21472

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

## 1. Corporate Information

Centrum Capital Limited (The “Company” or CCL) is a Public Group engaged in Investment Banking and a SEBI Registered Category-I Merchant Banker. The address of its registered office and principal activities of the Company are disclosed in the introduction to the Annual Report. The Equity shares of the Company are listed on BSE Limited (“BSE”), National Stock Exchange (“NSE”) in India. The Company offers a complete gamut of financial services in the areas of equity capital market, private equity, corporate finance, project finance, stressed asset resolution.

### 2.1 Significant accounting policies

#### Basis of preparation of Consolidated Ind AS financial statements

The Consolidated financial statements of the Company its subsidiaries and associates together (the ‘Group’) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the ‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and the presentation requirements of Schedule III to the act, as amended by the Companies (Accounts) Amendment Rules, 2021 and made effective from 1st April, 2021. As stated in the above notification, the Company has made the disclosures specified in the Schedule III to the Act, to the extent those disclosures are applicable and reportable.

These Consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments and other financial assets held for trading, which have been measured at fair value.

The Balance sheet and the Statement of profit and loss are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows.

All amounts disclosed in the financial statements and notes are presented in ₹ lakhs and have been rounded off to two decimal as per the requirement of Division III of Schedule III to the Act, unless otherwise stated.

## 3 Presentation of financial statements

The Group presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or

settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note no 51.

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

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

## 4. Basis of consolidation

The Consolidated financial statements as on 31st March, 2022, comprise the financial statements of the Group and its subsidiaries as at March 31, 2022. Subsidiaries are the entities over which the Group has control. The Group controls an entity when the Group is exposed to or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Consolidation of subsidiary begins when the Group obtains control over the subsidiary, and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Ind AS financial statements from the date the Group gains the control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member’s financial statements in preparing the Consolidated financial statements to ensure conformity with the Group’s accounting policies. However, no subsidiaries and associates have followed different accounting policies than those followed by the Group for the preparation of these Consolidated financial statements.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group, i.e., year ended on 31st March.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Consolidation procedure:

- a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Ind AS financial statements at the acquisition date.
- b. Offset (eliminate) the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill, refer below a Note on Business Combination.
- c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, are eliminated in full).

Profit or loss and each component of OCI are attributed to the equity holders of the Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

- d. The financial statements of all subsidiaries incorporated outside India are converted on the following basis: (a) Income and expenses are converted at the average rate of exchange applicable for the period/year and (b) All assets and liabilities are translated at the closing rate as on the Balance Sheet date. The exchange difference arising out of period/year end translation is debited or credited as "Foreign Exchange Translation Reserve" forming part of Other Comprehensive Income and accumulated as a separate component of other equity.

Non-controlling interest in the profit/loss and equity of the subsidiaries are shown separately in the Consolidated Statement of Profit and Loss and the Consolidated Balance Sheet, respectively. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. This results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

In case the Group ceases to consolidate a subsidiary because of a loss of control, any retained interest in the entity is re-measured to its fair value. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset. When the Group loses control over a subsidiary, it derecognises the assets, including goodwill, and liabilities of the subsidiary, carrying amount of any non-controlling interests, cumulative translation differences recorded in equity and recognise resulting difference between the fair value of the investment retained and the consideration received, and total of amount derecognised as gain or loss attributable to the Company. In addition, amounts, if any, previously recognised in Other comprehensive income in relation to that entity are reclassified to profit or loss as would be required if the Company had directly disposed of the related assets or liabilities.

### Investment in associates/joint ventures:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decision of the investee, but it's not control or joint control over those policies. The Group's interest in its associates or joint ventures is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture.

### Business combination:

Business combinations are accounted for using the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. The consideration transferred in a business combination comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group and fair value of any assets or liabilities resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities, i.e., deferred tax assets or liabilities, assets or liabilities related to employee benefits arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind AS.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

The excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquired entity and the acquisition-date fair value of any previous equity interest in the acquired entity over the acquisition-date fair value of the net identifiable assets acquired is recognised as goodwill. Any gain on a bargain purchase is recognised in Other comprehensive income and accumulated in equity as Capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase, otherwise the gain is recognised directly in equity as Capital Reserve.

Goodwill represents excess of the cost of portfolio acquisition over the net fair value of the identifiable assets and liabilities. Goodwill paid on acquisition of portfolio is included in intangible assets. Goodwill recognised is tested for impairment annually and when there are indications that the carrying amount may exceed the recoverable amount.

Goodwill on acquisitions of subsidiaries is shown as separate line item in financial statements. This Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured subsequently and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of contingent consideration are recognised in profit or loss.

When a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the Consolidated statement of profit and loss or Other comprehensive income as appropriate.

Where it is not possible to complete the determination of fair values by the end of the reporting period in which the combination occurs, a provisional assessment of fair values is made and any adjustments required to those provisional values, and the corresponding adjustments to goodwill, are finalised within 12 months of the acquisition date.

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a group. Group has accounted all such transactions based on pooling of interest method, which is as below:-

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve.

### 5.1. Significant accounting policies

#### a. Property, plant and equipment (PPE)

PPE are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent costs incurred on an item of PPE is recognised in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognised in profit or loss as incurred. Borrowing costs relating to acquisition of PPE which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Gains or losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of profit and loss when the asset is derecognized.

Depreciation on PPE is provided on straight line method over the useful lives of assets as prescribed in Schedule II of the Act, except for leasehold improvements. Leasehold improvements are amortised over a period of lease or useful life, whichever

## Notes forming part of the Consolidated Financial Statements

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is less. The residual values, useful lives and method of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

Particulars	Estimated useful life specified under schedule II of the Companies Act 2013
Building	60 years
Furniture and fixtures	10 years
Vehicles	8 years
Office Equipment, Electric installation & equipment and Air conditioners	5 years
Computer - end user devices, such as desktops, Laptops, etc.	3 years

### Capital work-in-progress

Capital work-in-progress comprises assets which are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs. Temporarily suspended projects do not include those projects where temporary suspension is a necessary part of the process of getting an asset ready for its intended use.

### b. Intangible assets

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment losses, if any. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets are amortized on straight line basis over the estimated useful life. The useful lives and method of depreciation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and recognised in the Statement of profit and loss when the asset is derecognised.

The Group capitalises computer software and related implementation cost where it is reasonably estimated that the software has an enduring useful life. Software including operating system licenses are amortized over their estimated useful life of 6- 9 years.

### c. Intangible assets under development

It includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses

### d. Investment property

Investment properties are properties that are held for long-term rentals yields or for capital appreciation. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their useful lives. Investment properties generally have useful lives of 60 years. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Group measures the investment property using cost based measurement, the fair value of the investment property is disclosed in the notes. Fair values are determined based on an annual evaluation.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from their use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

### e. Impairment of non-financial assets

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

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

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is 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.

## Notes forming part of the Consolidated Financial Statements

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### f. Revenue from operations

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

The Group recognises revenue from the following sources:

- i) Fee income including fees for Advisory, Syndication and other allied services. The right to receive fees is based on milestones defined in accordance with The terms of The contracts entered into between The Group and counterparties which also defines its performance obligation. Fee income are accounted for on an accrual basis.

Fees such as consultancy fees, referral fees and commission income include fees other than those that are an integral part of EIR and are recognised on accrual basis based on contractual terms.

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

Under Ind AS 109, Financial Instruments interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

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

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (i.e. the gross

carrying amount less the allowance for expected credit losses (ECLs)). The Group assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the Interest income accrued on credit impaired financial assets are either accounted for as income or written off.

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

- iii) Brokerage income : Revenue from brokerage activities is accounted for on point in time when performance obligation is satisfied i.e. the trade date of transaction.
- iv) Fees and other charges : Income from fees and other charges, viz login fee, pre-payment charges etc., are recognised on a point-in-time basis and are recorded when realised.
- v) Portfolio management fees : Income from portfolio management fees is recognised over the period of the agreement in terms of which services are performed.
- vi) Dividend income: Dividend income is recognised in profit or loss when the Group's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably.
- vii) Rental income: Rental income is recognized over a period of time as and when accrued as per the terms of the contract.
- viii) Net Gain/Loss on fair value changes : Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 32), held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

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



## Notes forming part of the Consolidated Financial Statements

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

- ix) Other operational revenue : Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.
- x) Other income and expenses Other income and expenses are recognised in the period in which they occur.

### g. Leases

#### The Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

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

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

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

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

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

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

#### The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the RoU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### h. Financial instruments

#### Date of recognition

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

#### Initial measurement of financial instruments

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

## Notes forming part of the Consolidated Financial Statements

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attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### Classification and subsequent measurement of financial instruments

#### (i) Financial assets :

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

##### Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset gives rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. The changes in carrying value of such financial asset is recognised in profit and loss account.

##### Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of such financial asset is recognised in Other comprehensive income.

##### Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Group measures all financial assets classified as FVTPL at fair value at each reporting date. The changes in fair value of such financial asset is recognised in Profit and loss account.

##### Amortized cost and Effective interest method

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

For financial instruments the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected

credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

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

##### Financial assets held for trading

The Group classifies financial assets as held for trading when they have been acquired primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is pattern of short-term profit. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value.

##### Asset held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

##### Other equity instruments

The Group subsequently measures all other equity investments at fair value through profit or loss, unless the management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment

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has been established, except when the benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI.

### Impairment of financial assets

The Group records allowance for expected credit losses for all amortised cost financial assets and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109, Financial Instruments.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables.

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

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

### Impairment of Financial asset - ECL Provision for Lending Entity & Methods

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life. In contrast, 12m ECL represents the portion of lifetime

ECL that is expected to result from default events that are possible within 12 months after the reporting date.

The measurement of ECL is a function of the probability of default (PD), loss given default (LGD) (i.e. the magnitude of the loss if there is a default) and the exposure at default (EAD). The assessment of the PD and LGD is based on historical data adjusted by forward-looking information. As for the EAD, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the borrowers, and other relevant forward-looking information

If a financial instrument includes both a loan (i.e. financial asset) and an undrawn commitment (i.e. loan commitment) component and the Group cannot separately identify the ECL on the loan commitment component from those on the financial asset component, the ECL on the loan commitment have been recognised together with the loss allowance for the financial asset. To the extent that the combined ECL exceed the gross carrying amount of the financial asset, the ECL have been recognised as a provision. Also, for other loan commitments and all financial guarantee contracts, the loss allowance has been recognised as a provision.

The method and significant judgments used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in note 47.

### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

The rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards Of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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When the Group has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability, the transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Group has returned.

### (ii) Financial liabilities and equity :

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

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

All financial liabilities are measured at amortised cost except for financial guarantees and derivative financial liabilities.

#### Debt securities and other borrowed funds

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

#### Financial guarantee:

Financial guarantees are contracts that requires the Group to make specified payments to the holders to make good the losses incurred arising from default in performance obligation by the borrower.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.

#### Loan commitment

Undrawn loan commitments are commitments under which, the Group is required to provide a loan with pre-specified terms to the customer during the duration of commitment.

#### Derivative contracts (Derivative assets/Derivative liability)

The Group enters into a variety of derivative financial contracts to manage its exposure to market risks including futures and options contracts.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in profit or loss immediately.

#### Embedded derivatives

The embedded derivatives are treated as separate derivatives when:

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

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

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

#### Treasury Shares

The Group is a sponsor to trusts namely Centrum ESPS Trust. These trusts have been formed exclusively to provide

## Notes forming part of the Consolidated Financial Statements

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benefits to employees of the Group and its subsidiaries. These trusts have been treated as an extension of the Group for the purpose of these financial statements. Accordingly, the equity shares of the Group held by these trusts have been treated as treasury shares. The amount paid for the treasury shares is deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares.

### Derecognition of financial liabilities

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

### Reclassification of financial assets and financial liabilities

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

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### Write-off policy

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

## i Fair value measurement

The Group measures financial instruments, such as investments and derivatives at fair values at each Balance Sheet date.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

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

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement are derived from directly or indirectly observable market data available.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

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

## Notes forming part of the Consolidated Financial Statements

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### j. Cash and cash equivalents

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

### k. Borrowing Costs

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

### l. Foreign exchange transactions and translations

#### Initial recognition

Transactions in foreign currencies are recognized at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction date.

#### Conversion

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

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Thus, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss

as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

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

### m. Retirement and other employee benefits

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

- (i) Under Payment of Gratuity Act, 1972 'Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year. The Group makes contribution to a scheme administered by the Life Insurance Corporation of India ("LIC") to discharge the gratuity liability to employees. The Group records its gratuity liability based on an actuarial valuation made by an independent actuary as at year end. Contribution made to the LIC fund and provision made for the funded amounts are expensed in the books of accounts.
- (ii) Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit Method.
- (iii) Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to profit or loss in subsequent period.

The Company does not present the above liability/(asset) as current and non-current in the Balance sheet as per the principles of Division III of Schedule III to the Act as per MCA's Notification dated 11th October, 2018.

### n. Income tax

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

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Current tax

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

### Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit.

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

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

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

### Minimum alternate tax (MAT)

MAT paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Group will pay normal income tax and thereby utilising MAT credit during the specified period, i.e., the period for which MAT credit is allowed to be carried forward and utilised. In the year in which the Group recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

### Current and deferred tax for the year

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

### **o. Provisions, contingent liabilities and contingent assets**

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

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events

## Notes forming part of the Consolidated Financial Statements

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beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

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

### p. Earnings per share

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

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

### q. Employee stock option scheme (ESOS)

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

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

### r. Segment reporting

#### Identification of segments

Operating Segments are identified based on monitoring of operating results by the chief operating decision-maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Group. Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

#### Segment policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

### 5.2 Significant accounting judgments, estimates and assumptions

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

#### Critical judgments in applying accounting policies

The following are the critical judgment, apart from those involving estimations, that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Consolidated Ind AS financial statements.



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

- **Fair value measurement of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/judgments about these factors could affect the reported fair value of financial instruments.

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

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include:

- PD calculation includes historical data, assumptions and expectations of future conditions.
- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EAD and LGD

- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It is Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

- **Business model assessment**

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

- **Income taxes**

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

- **Provisions and contingencies**

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

- **Employee stock option scheme (ESOS)**

The Group measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

### Key source of Assumptions and estimates

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

- **Retirement and other employee benefits**

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

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

Further details about gratuity and long term employee benefits obligations are provided in note 46.

- **Useful lives of property, plant and equipment:**

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

- **Effective interest rate**

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

### 5.3 Recent Accounting Pronouncements

The following standards / amendments to standards have been issued and will be effective from April 01, 2022. The Group is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

- Indian Accounting Standard (Ind AS) 103, Business Combinations – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.
- Indian Accounting Standard (Ind AS) 109, Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.
- Indian Accounting Standard (Ind AS) 16, Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.
- Indian Accounting Standard (Ind AS) 37, Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 6: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand including foreign currencies	1,572.22	108.43
Cheques on hand	-	1,690.00
Unrestricted balances with bank		
In current accounts	2,60,514.01	16,147.77
In deposits accounts with original maturity less than 3 months	1,34,937.66	2,963.87
Restricted balances		
In current accounts	14,056.97	-
In deposits accounts with original maturity less than 3 months	28,998.08	-
(Less): Impairment loss allowance	201.90	0.91
<b>TOTAL</b>	<b>4,39,877.04</b>	<b>20,909.16</b>

### Note 7 : BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Bank Balances		
In term deposit accounts :		
Term deposit accounts with maturity more than 3 months	9,969.96	6,214.01
Term deposits pledged for bank overdraft facility, credit enhancement for loans or security against the borrowings	8,735.04	8,965.11
In earmarked accounts :		
Escrow Account (refer Note 7(b))	4,444.98	786.04
Balances held as security against bank guarantees	0.00	10,351.70
<b>Unpaid dividend accounts</b>	4.26	4.27
(Less): Impairment loss allowance	2.40	3.34
<b>TOTAL</b>	<b>23,151.84</b>	<b>26,317.78</b>

Note: Term deposits and other balances with banks earns interest at fixed rate or floating rates based on daily bank deposit rates.

#### 7(a) Encumbrances on fixed deposits held by the Group:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Term deposits pledged for:		
Bank guarantee for cash credit lines		
HDFC Bank	294.01	-
State Bank of India	7.98	-
Bank of Baroda	469.21	-
Axis Bank	7,653.58	6,666.08
Security deposit for PTC Securitisation		
RBL Bank Limited	-	250.00
Security deposit to the extent held as credit enhancement for loans or security against the borrowings		
Various Banks/Financial Institutions #	310.26	2,049.03
	<b>8,735.04</b>	<b>8,965.11</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 7 : Bank balance other than cash and cash equivalents above (Contd..)

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b># The nature of balances in deposit accounts is as follows:</b>		
Credit enhancements for loans	310.26	276.76
<b>Security against the borrowings</b>	-	1,772.27

#### 7(b) Earmarked Balances With Banks :

The Earmarked balance of ₹ 3658.94 lakhs (Previous Year ₹ Nil) is maintained on behalf of Unity Small Finance Bank Limited and further the Group has deposited ₹ 786.04 lakhs (Previous Year ₹ 786.04 lakhs) under an Escrow agreement with Yes Bank Limited towards any future occurrence of loss or liabilities arising from any government authority / tax authorities applicable to the divested entity EbixCash World Money Limited (Formerly Centrum Direct Limited)

#### 7(c) Credit quality of assets:

The table below shows the credit quality and the maximum exposure to credit risk based on the NBFC subsidiary Company's year-end stage classification. The amounts presented are gross of impairment allowances.

##### Unity Small Finance Bank Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing								
High grade	1,36,458.82	-	-	1,36,458.82	-	-	-	-
<b>Total</b>	<b>1,36,458.82</b>	-	-	<b>1,36,458.82</b>	-	-	-	-

##### Centrum Financial Services Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing								
High grade	-	-	-	-	661.65	-	-	661.65
<b>Total</b>	-	-	-	-	<b>661.65</b>	-	-	<b>661.65</b>

#### 7 (d) Reconciliation of changes in gross carrying amount for investments: Term deposits with Banks

##### Unity Small Finance Bank Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount - opening balance</b>	-	-	-	-	-	-	-	-
New assets originated or purchased	1,36,709.88	-	-	1,36,709.88	-	-	-	-
Unwinding of discount (recognised in interest income)	-	-	-	-	-	-	-	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 7 : Bank balance other than cash and cash equivalents above (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Assets derecognised or matured (excluding write off)	(251.06)	-	-	(251.06)	-	-	-	-
<b>Closing balance</b>	<b>1,36,458.82</b>	<b>-</b>	<b>-</b>	<b>1,36,458.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Centrum Financial Services Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount - opening balance</b>	661.65	-	-	661.65	1,048.50	-	-	1,048.50
New assets originated or purchased	-	-	-	-	661.65	-	-	661.65
Unwinding of discount (recognised in interest income)	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Assets derecognised or matured (excluding write off)	(661.65)	-	-	(661.65)	(1,048.50)	-	-	(1,048.50)
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>661.65</b>	<b>-</b>	<b>-</b>	<b>661.65</b>

### 7(e) Reconciliation of ECL balance is given below :

#### Unity Small Finance Bank Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>ECL allowance - Opening balance</b>	-	-	-	-	-	-	-	-
New assets originated or purchased	202.35	-	-	202.35	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
<b>ECL allowance - Closing balance</b>	<b>202.35</b>	<b>-</b>	<b>-</b>	<b>202.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes forming part of the Consolidated Financial Statements

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### Note 7 : Bank balance other than cash and cash equivalents above (Contd..)

#### Centrum Financial Services Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>ECL allowance - Opening balance</b>	0.13	-	-	0.13	2.59	-	-	2.59
New assets originated or purchased	-	-	-	-	0.13	-	-	0.13
Assets derecognised or repaid (excluding write offs)	(0.13)	-	-	(0.13)	(2.59)	-	-	(2.59)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
<b>ECL allowance - Closing balance</b>	-	-	-	-	<b>0.13</b>	-	-	<b>0.13</b>

#### Centrum Microcredit Limited

(₹ in Lakhs)

As at 31st March, 2021	Exposure at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>Cash and cash equivalents</b>				
In deposit accounts (including interest accrued thereon) having original maturity less than three months	900.07	-	-	900.07
<b>Bank balance other than cash and cash equivalents above</b>				
Term deposit accounts with maturity more than 3 months	59.92	0.03% - 0.91%	0.26	59.66
Term deposits pledged for bank overdraft facility, credit enhancement for loans or security against the borrowings	2,049.03	0.03% - 0.91%	1.66	2,047.37

### Note 8 : DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022 ₹	As at March 31, 2021 ₹
Index derivatives	1,402.74	4,410.05
<b>TOTAL</b>	<b>1,402.74</b>	<b>4,410.05</b>

The Group enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Company has elected not to apply hedge accounting requirements.

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

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 8 : Derivative Financial Instruments (Contd..)

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

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Assets
Index derivatives:	1,186.38	1,402.74	2,881.25	4,410.05
<b>Total derivative financial assets</b>	<b>1,186.38</b>	<b>1,402.74</b>	<b>2,881.25</b>	<b>4,410.05</b>

#### Hedging activities and derivatives :

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Group's risk management strategy and how it is applied to manage risk are explained in Note 59.

#### Derivatives designated as hedging instruments :

The Group has not designated any derivatives as hedging instruments.

### Note 9 : RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022 ₹	As at March 31, 2021 ₹
<b>Trade Receivables</b>		
(i) Secured, undisputed, considered good	342.66	698.22
(ii) Unsecured, undisputed, considered good		
From Others	3,593.02	3,024.24
From Related parties (refer Note 44.2)	1.81	16.39
Less: Impairment loss allowance	477.60	281.93
(iii) Credit impaired	703.47	563.88
Less: Impairment loss allowance	703.47	563.88
<b>TOTAL</b>	<b>3,459.89</b>	<b>3,456.92</b>

#### Note 9(i) : Trade Receivables

Neither trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 days.

(₹ in Lakhs)

As at 31st March, 2021	Current	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
ECL rate		3.98%	9.62%	99.75%	100.00%	100.00%	
<b>March 31, 2022</b>	Gross carrying amount	3,241.38	384.48	77.30	112.25	825.55	4,640.96
	ECL-Simplified approach	(129.15)	(37.01)	(77.11)	(112.25)	(825.55)	(1,181.07)
	<b>Net carrying amount</b>	<b>3,112.23</b>	<b>347.47</b>	<b>0.19</b>	-	-	<b>3,459.89</b>
ECL rate		12064.14%	482.66%	100.00%	59.00%	76.54%	
<b>March 31, 2021</b>	Gross carrying amount	2,895.43	266.17	127.79	724.22	289.12	4,302.73
	ECL-Simplified approach	(23.80)	(45.68)	(127.79)	(427.26)	(221.28)	(845.81)
	<b>Net carrying amount</b>	<b>2,871.63</b>	<b>220.49</b>	-	<b>296.96</b>	<b>67.84</b>	<b>3,456.92</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 9(i) : Trade Receivables (Contd..)

#### Reconciliation of impairment allowance on trade receivables :

Particulars	Amount
Impairment allowance measured as per simplified approach	
<b>Impairment allowance as at April 01, 2020</b>	<b>1,124.46</b>
Add: Changes in allowances due to	
Bad debts written off	(15.42)
Net remeasurement of loss allowance	(263.24)
<b>Impairment allowance as at March 31, 2021</b>	<b>845.80</b>
Add: Changes in allowances due to	
Bad debts written off	-
Net remeasurement of loss allowance	335.27
<b>Impairment allowance as at March 31, 2022</b>	<b>1,181.07</b>

### Note 10 : LOANS

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>A) Loans at amortised cost</b>		
Corporate and Retail Credit	7,28,190.47	2,18,945.73
Loans to related parties (refer Note 44.2)	1,008.00	2,473.87
Other Credit	233.78	9.85
Total (A) - gross	7,29,432.25	2,21,429.45
(Less): Impairment loss allowance	3,72,177.41	3,039.47
<b>Total (A) - net</b>	<b>3,57,254.84</b>	<b>2,18,389.98</b>
<b>B) (i) Secured by tangible assets</b>	2,25,515.15	98,685.65
(ii) Secured by intangible assets	-	-
(iii) Secured by book debts, inventories, fixed deposits and other bank/government guarantees	-	-
(iv) Unsecured	5,03,917.10	1,22,743.80
<b>Total (B) - gross</b>	<b>7,29,432.25</b>	<b>2,21,429.45</b>
Less: Impairment loss allowance	3,72,177.41	3,039.47
<b>Total (B) - net</b>	<b>3,57,254.84</b>	<b>2,18,389.98</b>
<b>C) (i) Loans in India</b>		
- Public sector	-	-
- Others	7,29,432.25	2,21,429.45
<b>Total (C) - gross</b>	<b>7,29,432.25</b>	<b>2,21,429.45</b>
Less: Impairment loss allowance	3,72,177.41	3,039.47
<b>Total [C (i)]- net</b>	<b>3,57,254.84</b>	<b>2,18,389.98</b>
<b>(ii) Loans outside India</b>	-	-
Less: Impairment loss allowance	-	-
<b>Total [C (ii)]- net</b>	-	-
<b>Total [C (i+ii)]- net</b>	<b>3,57,254.84</b>	<b>2,18,389.98</b>

Note : For Credit quality of assets refer Note 10.D



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 10 : LOANS (Contd..)

#### 10.D Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

##### 10.D.1 Credit quality of Loans

##### Unity Small Finance Bank Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Internal rating grade</b>								
Low Risk	2,13,063.38	-	-	2,13,063.38	-	-	-	-
Medium Risk	-	9,449.40	-	9,449.40	-	-	-	-
High Risk	-	-	3,77,721.56	3,77,721.56	-	-	-	-
<b>Total</b>	<b>2,13,063.38</b>	<b>9,449.40</b>	<b>3,77,721.56</b>	<b>6,00,234.34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

##### Centrum Microcredit Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Internal rating grade</b>								
Standard	-	-	-	-	41,053.38	2,170.88	-	43,224.26
Sub-standard	-	-	-	-	-	-	292.60	292.60
Doubtful	-	-	-	-	-	-	104.36	104.36
Loss assets	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,053.38</b>	<b>2,170.88</b>	<b>396.96</b>	<b>43,621.21</b>

##### Centrum Financial Services Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Internal rating grade</b>								
Low Risk	-	-	-	-	73,931.28	-	-	73,931.28
Medium Risk	-	-	-	-	-	8,060.75	-	8,060.75
High Risk	-	-	-	-	-	-	1,280.15	1,280.15
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73,931.28</b>	<b>8,060.75</b>	<b>1,280.15</b>	<b>83,272.18</b>

##### Centrum Housing Finance Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Internal rating grade</b>								
Low Risk	53,864.32	-	-	53,864.32	41,445.58	-	-	41,445.58
Medium Risk	-	2,640.42	-	2,640.42	-	5,182.01	-	5,182.01
High Risk	-	-	1,549.54	1,549.54	-	-	1,394.98	1,394.98
<b>Total</b>	<b>53,864.32</b>	<b>2,640.42</b>	<b>1,549.54</b>	<b>58,054.28</b>	<b>41,445.58</b>	<b>5,182.01</b>	<b>1,394.98</b>	<b>48,022.57</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 10 : LOANS (Contd..)

#### 10.D.2 Reconciliation of changes in gross carrying amount and corresponding ECL allowances for loans and advances to corporate and retail customers:

The following disclosure provides stage wise reconciliation of the Company's gross carrying amount and ECL allowances for loans and advances to corporates and retail customers. The transfers of financial assets represents the impact of stage transfers upon the gross carrying amount and associated allowance for ECL. The net remeasurement of ECL arising from stage transfers represents the increase or decrease due to these transfers.

The 'New assets originated /repayments received (net)' represent the gross carrying amount and associated allowance ECL impact from transactions within the Company's lending portfolio.

An analysis of changes in the gross carrying amount as follows:

#### Unity Small Finance Bank Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Gross carrying amount opening balance</b>	-	-	-	-	-	-	-	-	-	-
New assets originated or purchased under slump sale (November 01, 2022)	1,26,692.44			879.47	1,27,571.91					
New assets originated or purchased under Amalgamation (November 01, 2022)	46,372.89			3,71,027.24	4,17,400.13					
New assets originated or purchased	1,16,488.03				1,16,488.03					
Assets derecognised or repaid (excluding write off)	(60,143.31)	-	(193.80)	(888.62)	(61,225.73)	-	-	-	-	-
Transfer to Stage 1	851.61	-	-	(851.61)	-	-	-	-	-	-
Transfer to Stage 2	(4,334.34)	4,334.34	-	-	-	-	-	-	-	-
Transfer to Stage 3	(7,748.88)	-	7,748.88	-	-	-	-	-	-	-
Changes to contractual cash flows due to modification not resulting into derecognition										
Assets derecognised or collected	-	-	-	-	-	-	-	-	-	-
Amounts written off										
<b>Gross carrying amount Closing balance</b>	<b>2,18,178.44</b>	<b>4,334.34</b>	<b>7,555.08</b>	<b>3,70,166.48</b>	<b>6,00,234.34</b>	-	-	-	-	-

#### Centrum Microcredit Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Gross carrying amount opening balance</b>	41,053.39	2,170.86	396.96	-	43,621.21	44,507.46	48.04	119.46	-	44,674.96
New assets originated or purchased	24,813.43	-	-	-	24,813.43	24,664.57	-	-	-	24,664.57
Assets derecognised or repaid (excluding write off)	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	2.90	(1.57)	(1.33)	-	(0.00)
Transfer to Stage 2	-	-	-	-	-	(2,160.06)	2,160.06	-	-	-
Transfer to Stage 3	(9,035.49)	9,035.49	-	-	-	(249.39)	(34.94)	284.32	-	(0.01)
Changes to contractual cash flows due to modification not resulting into derecognition	-	(328.96)	328.96	-	-	(25,712.09)	(0.73)	(4.89)	-	(25,717.71)
Assets derecognised or collected	(17,124.60)	(1,651.96)	(267.65)	-	(19,044.21)	-	-	-	-	-
Amounts written off	-	-	(280.20)	-	(280.20)	-	-	(0.60)	-	(0.60)
Assets transferred through slump sale to Unity Small Finance Bank Limited	(39,706.73)	(9,225.43)	(178.07)		(49,110.23)					
<b>Gross carrying amount Closing balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,053.39</b>	<b>2,170.86</b>	<b>396.96</b>	<b>-</b>	<b>43,621.21</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 10 : LOANS (Contd..)

#### Centrum Financial Services Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Gross carrying amount opening balance</b>	73,931.28	8,060.75	1,280.15	-	83,272.18	80,484.09	3,284.57	1,916.81	-	85,685.47
New assets originated or purchased	60,517.49	-	-	-	60,517.49	74,033.88	2,467.31	91.18	-	76,592.37
Assets derecognised or repaid (excluding write off)	(64,597.78)	(68.91)	(17.18)	-	(64,683.87)	(74,197.96)	-	(501.62)	-	(78,567.27)
Transfer to Stage 1	4,333.03	(4,333.03)	-	-	-	376.28	(376.28)	-	-	-
Transfer to Stage 2	-	-	-	-	-	(6,765.01)	6,765.01	-	-	-
Transfer to Stage 3	(73.43)	(9.16)	82.59	-	-	-	(212.17)	212.17	-	-
Changes to contractual cash flows due to modification not resulting into derecognition	-	-	-	-	-	-	-	-	-	-
Assets derecognised or collected	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	(644.17)	-	(644.17)	-	-	(438.39)	-	(438.39)
Assets transferred through slump sale to Unity Small Finance Bank Limited	(74,110.59)	(3,649.65)	(701.39)	-	(78,461.63)	-	-	-	-	-
<b>Gross carrying amount Closing balance</b>	-	-	-	-	-	<b>73,931.28</b>	<b>8,060.75</b>	<b>1,280.15</b>	-	<b>83,272.18</b>

#### Centrum Housing Finance Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Gross carrying amount opening balance</b>	41,445.58	5,182.01	1,394.98	-	48,022.57	40,088.28	2,893.63	645.07	-	43,626.98
New assets originated or purchased	19,633.19	36.78	1.70	-	19,671.67	9,350.27	-	-	-	9,350.27
Assets derecognised or repaid (excluding write off)	(8,768.59)	(3,843.54)	(626.14)	-	(13,238.27)	(8,606.32)	-	(15.74)	-	(9,852.02)
Transfer to Stage 1	(1,054.79)	1,169.87	261.58	-	376.66	(91.95)	3,529.88	333.05	-	3,770.98
Transfer to Stage 2	2,525.05	(2.33)	489.63	-	3,012.35	705.30	(64.87)	476.71	-	1,117.14
Transfer to Stage 3	83.88	97.63	79.53	-	261.04	-	53.33	(42.42)	-	10.91
Changes to contractual cash flows due to modification not resulting into derecognition	-	-	-	-	-	-	-	-	-	-
Assets derecognised or collected	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	(51.74)	-	(51.74)	-	-	(1.69)	-	(1.69)
<b>Gross carrying amount Closing balance</b>	<b>53,864.32</b>	<b>2,640.42</b>	<b>1,549.54</b>	-	<b>58,054.28</b>	<b>41,445.58</b>	<b>5,182.01</b>	<b>1,394.98</b>	-	<b>48,022.57</b>

Reconciliation of ECL balance is given below

#### Unity Small Finance Bank Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - Opening balance	-	-	-	-	-	-	-	-	-	-
New assets originated or purchased under slump sale (November 01, 2022)	744.83	-	-	269.72	1,014.55	-	-	-	-	-
New assets originated or purchased under Amalgamation (November 01, 2022)	1,921.96	-	-	3,58,296.30	3,60,218.26	-	-	-	-	-
New assets originated or purchased	598.35	-	-	(3.82)	594.53	-	-	-	-	-
Assets derecognised or repaid (excluding write off)	(183.61)	-	(2.53)	(619.21)	(805.35)	-	-	-	-	-
Transfer to Stage 1	562.36	-	-	(723.37)	(161.01)	-	-	-	-	-
Transfer to Stage 2	(184.34)	190.62	-	-	6.28	-	-	-	-	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 10 : LOANS (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Transfer to Stage 3	(567.14)	-	2,984.68	-	2,417.54	-	-	-	-	-
Changes to models and inputs used for ECL calculations				333.59	333.59					
Amounts written off	-	-	-	-	-	-	-	-	-	-
<b>ECL Allowance - Closing balance</b>	<b>2,892.41</b>	<b>190.62</b>	<b>2,982.15</b>	<b>3,57,553.21</b>	<b>3,63,618.39</b>	-	-	-	-	-

#### Centrum Microcredit Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - Opening balance	567.20	28.63	332.08	-	927.91	237.79	0.25	117.34	-	355.38
New assets originated or purchased	(157.39)	113.86	66.44	-	22.91	329.41	28.38	215.34	-	573.13
Assets derecognised or repaid (excluding write off)	-	-	(280.20)	-	(280.20)	-	-	(0.60)	-	(0.60)
Transfer to Stage 1	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-
Assets transferred through slump sale to Unity Small Finance Bank Limited	(409.81)	(142.49)	(118.32)	-	(670.62)					
<b>ECL Allowance - Closing balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>567.20</b>	<b>28.63</b>	<b>332.08</b>	<b>-</b>	<b>927.91</b>

#### Centrum Financial Services Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - Opening balance	860.98	71.02	1,380.04	-	2,312.05	860.98	71.02	1,380.04	-	2,312.05
New assets originated or purchased	-	-	-	-	-	657.94	798.72	466.89	-	1,923.55
Assets derecognised or repaid (excluding write off)	-	-	-	-	-	(121.76)	(673.70)	(236.12)	-	(1,031.58)
Transfer to Stage 1	-	-	-	-	-	2.62	(2.62)	-	-	-
Transfer to Stage 2	-	-	-	-	-	(34.93)	34.93	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	(45.13)	45.13	-	-
Amounts written off	-	-	-	-	-	-	-	(164.57)	-	(164.57)
<b>ECL Allowance - Closing balance</b>	<b>861.00</b>	<b>71.02</b>	<b>1,380.04</b>	<b>-</b>	<b>2,312.07</b>	<b>1,364.88</b>	<b>183.22</b>	<b>1,491.37</b>	<b>-</b>	<b>3,039.47</b>

#### Centrum Housing Finance Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - Opening balance	218.65	111.41	413.02	-	743.08	117.03	54.95	161.27	-	333.25
New assets originated or purchased	64.47	0.60	-	-	65.07	26.47	-	-	-	26.47
Assets derecognised or repaid (excluding write off)	(32.47)	(86.23)	(162.36)	-	(281.06)	(16.55)	(23.98)	37.38	-	(3.15)
Transfer to Stage 1	(4.11)	28.68	67.83	-	92.40	89.57	63.63	72.41	-	225.61
Transfer to Stage 2	46.89	13.07	130.14	-	190.10	2.13	16.12	103.09	-	121.34
Transfer to Stage 3	0.27	2.97	183.28	-	186.52	-	0.69	39.29	-	39.98
Amounts written off	-	-	(36.21)	-	(36.21)	-	-	(0.42)	-	(0.42)
<b>ECL Allowance - Closing balance</b>	<b>293.70</b>	<b>70.50</b>	<b>595.70</b>	<b>-</b>	<b>959.90</b>	<b>218.65</b>	<b>111.41</b>	<b>413.02</b>	<b>-</b>	<b>743.08</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

## Note 11 : INVESTMENTS

Particulars	As at March 31, 2022					As at March 31, 2021					
	Amortised Cost	At Fair Value		Total	Others (at cost)	Amortised Cost	At Fair Value		Total	Others (at cost)	
		Through OCI	Through profit or loss				Through OCI	Through profit or loss			
		Sub-total	Sub-total				Sub-total	Sub-total			
(a) Equity Instruments											
-Others	-	770.87	770.87	-	770.87	-	628.61	628.61	-	628.61	-
(b) Debt securities	1,943.95	1,229.37	1,229.37	-	3,173.32	-	-	-	-	3,544.64	-
(c) Preference shares	-	635.54	635.54	-	635.54	-	1,837.16	1,837.16	-	1,837.16	-
(d) Units of Mutual funds	-	3,477.86	3,477.86	-	3,477.86	-	1,038.44	1,038.44	-	1,038.44	-
(e) Government and other securities	39,304.32	2,37,118.32	1,293.86	2,38,412.18	2,77,716.50	-	32.32	32.32	-	32.32	-
(f) Security receipts	-	8,912.25	8,912.25	-	8,912.25	-	-	-	-	-	-
(f) Units of private equity	-	1,228.69	1,228.69	-	1,228.69	-	721.33	721.33	-	721.33	-
<b>Total Gross (A)</b>	<b>41,248.27</b>	<b>2,38,347.69</b>	<b>16,319.07</b>	<b>2,54,666.76</b>	<b>2,95,915.03</b>	<b>3,544.64</b>	<b>4,257.86</b>	<b>4,257.86</b>	<b>4,257.86</b>	<b>7,802.50</b>	<b>-</b>
Investments outside India	-	-	-	-	-	-	-	-	-	-	-
Investments in India	41,248.27	2,38,347.69	16,319.07	2,54,666.76	2,95,915.03	3,544.64	4,257.86	4,257.86	4,257.86	7,802.50	-
<b>Total Gross (B)</b>	<b>41,248.27</b>	<b>2,38,347.69</b>	<b>16,319.07</b>	<b>2,54,666.76</b>	<b>2,95,915.03</b>	<b>3,544.64</b>	<b>4,257.86</b>	<b>4,257.86</b>	<b>4,257.86</b>	<b>7,802.50</b>	<b>-</b>
Less: Impairment loss allowance (C)	20.08	198.12	8,959.75	9,157.88	9,177.95	-	19.41	19.41	-	19.41	-
<b>Total Net D = (A-C)</b>	<b>41,228.19</b>	<b>2,38,149.57</b>	<b>7,359.32</b>	<b>2,45,508.87</b>	<b>2,86,737.08</b>	<b>3,544.64</b>	<b>4,238.45</b>	<b>4,238.45</b>	<b>4,238.45</b>	<b>7,783.09</b>	<b>-</b>

Note: The Group has received dividend ₹ 5.90 lakhs (March, 2021 Nil) from its Equity instruments, recorded as dividend income

### i) Credit quality of assets:

#### Unity Small Finance Bank Limited

- i) The table below shows the credit quality and the maximum exposure to credit risk based on the Company's year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	Total	Total	Total	Total	Total	Total
<b>Performing :</b>						
Low risk	2,79,051.48	-	-	2,79,051.48	-	-
Medium risk	-	1,029.76	-	1,029.76	-	-
High risk	-	-	9,111.86	9,111.86	-	-
<b>Total</b>	<b>2,79,051.48</b>	<b>1,029.76</b>	<b>9,111.86</b>	<b>2,89,193.10</b>	<b>-</b>	<b>-</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 11 : INVESTMENTS (Contd..)

#### Centrum Financial Services Limited

- i) The table below shows the credit quality and the maximum exposure to credit risk based on the Company's year-end stage classification. The amounts presented are gross of impairment allowances.

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing : High grade	-	-	-	-	3,544.64	-	-	3,544.64
<b>Total</b>	-	-	-	-	<b>3,544.64</b>	-	-	<b>3,544.64</b>

- ii) **Reconciliation of changes in gross carrying amount for investments in debentures:**

#### Unity Small Finance Bank Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount - Opening balance</b>	-	-	-	-	-	-	-	-
New assets originated or purchased	2,755.86	-	-	2,755.86	-	-	-	-
Assets derecognised or matured (excluding write off)	(811.91)	-	-	(811.91)	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>1,943.95</b>	-	-	<b>1,943.95</b>	-	-	-	-

#### Centrum Financial Services Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount - Opening balance</b>	3,544.64	-	-	3,544.64	3,050.63	-	-	3,050.63
New assets originated or purchased	-	-	-	-	6,042.80	-	-	6,042.80
Assets derecognised or matured (excluding write off)	280.86	-	-	280.86	(5,548.79)	-	-	(5,548.79)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 11 : Investments (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Assets derecognised on account of BTA transfer	(3,825.50)	-	-	(3,825.50)	(5,548.79)	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>3,544.64</b>	<b>-</b>	<b>-</b>	<b>3,544.64</b>

Reconciliation of ECL balance is given below:

#### Unity Small Finance Bank Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
<b>ECL Allowance - Opening balance</b>	-	-	-	-	-	-	-	-	-	-
New assets originated or purchased	20.08	-	-	9,111.86	9,131.94	-	-	-	-	-
Assets derecognised or repaid (excluding write off)	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-	-	-
Impact on year end ECL of Exposures transferred between Stages during the year and reversal of ECL on account of recovery	-	-	-	-	-	-	-	-	-	-
Unwinding of discount	-	-	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modification not resulting into derecognition	-	-	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL Calculation	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-
<b>ECL allowance - Closing balance</b>	<b>20.08</b>	<b>-</b>	<b>-</b>	<b>9,111.86</b>	<b>9,131.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Centrum Financial Services Limited

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
<b>ECL Allowance - Opening balance</b>	19.40	-	-	-	19.40	8.18	-	-	-	8.18
New Assets originated or purchased	-	-	-	-	-	0.13	-	-	-	0.13
Assets derecognised or repaid (excluding write offs)	(1.98)	-	-	-	(1.98)	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-	-	-
Impact on year end ECL of Exposures transferred between Stages during the year and reversal of ECL on account of recovery	-	-	-	-	-	-	-	-	-	-
Unwinding of discount	-	-	-	-	-	-	-	-	-	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 11 : INVESTMENTS (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Changes to contractual cash flows due to modification not resulting into derecognition	-	-	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculation	-	-	-	-	-	-	-	-	-	11.09
Assets derecognised on account of BTA transfer	(17.42)	-	-	-	(17.42)	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-
<b>ECL allowance - Closing balance</b>	<b>-0.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-0.00</b>	<b>19.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.40</b>

### Note 12 : OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	2,503.51	2,184.73
Advance for purchase of shares pending transfer	100.00	100.00
Margin balances with broker	112.28	-
Interest accrued but not due on loans	502.30	-
Receivable -direct assignment	339.00	-
Contract assets	1,337.51	423.67
Other financial assets	498.80	3,905.78
Less: Impairment loss allowance	441.45	209.78
<b>Total</b>	<b>4,951.95</b>	<b>6,404.40</b>

### Note 13 : CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income tax	3,428.58	4,559.44
[Net of provision for tax ₹ 12,113.31 Lakhs (Previous Year ₹ 20,735.38 Lakhs)]		
<b>Total</b>	<b>3,428.58</b>	<b>4,559.44</b>

### Note 14 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Leasehold development	Building	Furniture and fixtures	Vehicles	Office equipment	Computers hardware	Electric installation & equipment	Air conditioners	Total
<b>Gross block- at cost</b>									
<b>As at April 01, 2020</b>	<b>573.89</b>	<b>1,083.30</b>	<b>384.14</b>	<b>998.55</b>	<b>455.67</b>	<b>542.02</b>	<b>3.22</b>	<b>11.95</b>	<b>4,052.74</b>
Additions during the year	121.77	-	60.75	10.54	6.64	39.72	-	-	239.42
Disposals/adjustments/ deductions	(158.55)	3,397.83	3.55	(2.64)	(2.08)	(14.33)	-	-	3,233.78
<b>As at March 31, 2021</b>	<b>537.11</b>	<b>4,481.13</b>	<b>448.44</b>	<b>1,006.45</b>	<b>460.23</b>	<b>567.41</b>	<b>3.22</b>	<b>11.95</b>	<b>7,515.94</b>



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 14 : PROPERTY, PLANT AND EQUIPMENT (Contd..)

(₹ in Lakhs)

Particulars	Leasehold development	Building	Furniture and fixtures	Vehicles	Office equipment	Computers hardware	Electric installation & equipment	Air conditioners	Total
Additions during the year	97.51	24,431.50	1,188.33	195.87	771.30	170.71	-	0.83	26,856.05
Disposals/adjustments/ deductions	(219.27)	-	(77.85)	(37.92)	(3.77)	(24.63)	(1.68)	-	(365.12)
<b>As at March 31, 2022</b>	<b>415.35</b>	<b>28,912.63</b>	<b>1,558.92</b>	<b>1,164.40</b>	<b>1,227.76</b>	<b>713.49</b>	<b>1.54</b>	<b>12.78</b>	<b>34,006.87</b>
<b>Accumulated Depreciation</b>									
<b>As at April 01, 2020</b>	<b>225.81</b>	<b>54.07</b>	<b>125.27</b>	<b>240.74</b>	<b>203.21</b>	<b>320.38</b>	<b>1.67</b>	<b>3.79</b>	<b>1,174.94</b>
Additions during the year	108.54	74.57	47.82	119.42	94.54	126.53	0.42	1.51	573.35
Disposals/adjustments/ deductions	(33.79)	-	0.99	(0.42)	0.00	(10.09)	-	-	(43.31)
<b>As at March 31, 2021</b>	<b>300.56</b>	<b>128.64</b>	<b>174.08</b>	<b>359.74</b>	<b>297.75</b>	<b>436.81</b>	<b>2.08</b>	<b>5.31</b>	<b>1,704.95</b>
Additions during the year	54.64	210.18	61.14	141.25	238.34	103.43	0.30	0.35	809.63
Disposals/adjustments/ deductions	(25.46)	-	(45.07)	(23.20)	(3.44)	(15.24)	(1.50)	-	(113.90)
<b>As at March 31, 2022</b>	<b>329.74</b>	<b>338.82</b>	<b>190.15</b>	<b>477.79</b>	<b>532.65</b>	<b>525.00</b>	<b>0.89</b>	<b>5.66</b>	<b>2,400.67</b>
<b>Net Block</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at March 31, 2021</b>	<b>236.55</b>	<b>4,352.49</b>	<b>274.36</b>	<b>646.72</b>	<b>162.48</b>	<b>130.60</b>	<b>1.14</b>	<b>6.64</b>	<b>5,810.95</b>
<b>As at March 31, 2022</b>	<b>85.61</b>	<b>28,573.81</b>	<b>1,368.77</b>	<b>686.60</b>	<b>695.11</b>	<b>188.49</b>	<b>0.65</b>	<b>7.12</b>	<b>31,606.15</b>

### Note 15: RIGHT-OF-USE ASSETS

(₹ in Lakhs)

Particulars	Vehicles	Office Premises	Total
<b>Gross block- at cost</b>			
<b>As at April 01, 2020</b>	<b>40.32</b>	<b>5,271.85</b>	<b>5,312.17</b>
Additions during the year	-	1,015.84	1,015.84
Disposals/adjustments/deductions	(9.07)	(2,172.19)	(2,181.26)
<b>As at March 31, 2021</b>	<b>31.25</b>	<b>4,115.50</b>	<b>4,146.75</b>
Additions during the year	-	2,578.96	2,578.96
Disposals/adjustments/deductions	(0.95)	(79.92)	(80.87)
<b>As at March 31, 2022</b>	<b>30.30</b>	<b>6,614.54</b>	<b>6,644.83</b>
<b>Accumulated Depreciation</b>			
<b>As at April 01, 2020</b>	<b>22.74</b>	<b>2,510.22</b>	<b>2,532.96</b>
Additions during the year	12.66	1,164.04	1,176.70
Disposals/adjustments/deductions	(7.88)	(1,186.58)	(1,194.46)
<b>As at March 31, 2021</b>	<b>27.52</b>	<b>2,487.68</b>	<b>2,515.20</b>
Additions during the year	3.07	1,123.58	1,126.65
Disposals/adjustments/deductions	(0.29)	(15.87)	(16.16)
<b>As at March 31, 2022</b>	<b>30.30</b>	<b>3,595.39</b>	<b>3,625.68</b>
<b>Net Block</b>			
<b>As at March 31, 2021</b>	<b>3.73</b>	<b>1,627.81</b>	<b>1,631.54</b>
<b>As at March 31, 2022</b>	<b>0.00</b>	<b>3,019.14</b>	<b>3,019.14</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 16: CAPITAL WORK-IN-PROGRESS

Particulars	(₹ in Lakhs)	
	Amount	
Gross block- at cost		
As at April 01, 2020		-
Additions during the year		7.94
As at March 31, 2021		7.94
Additions during the year		21.43
Disposals/adjustments/deductions		(7.94)
<b>As at March 31, 2022</b>		<b>21.43</b>

#### 16.1 Details of Capital work-in-progress

Particulars	(₹ in Lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in progress	21.43	-	-	-	21.43
ii) Projects temporarily suspended					

i) Whose completion is overdue

ii) Has exceeded its cost compared to its original plan, following CWIP completion schedule

### Note 17 : OTHER INTANGIBLE ASSETS

Particulars	(₹ in Lakhs)		
	Trademark (A)	Computer Software	Total
<b>Gross block- at cost</b>			
<b>As at April 01, 2020</b>	-	<b>1,180.98</b>	<b>1,180.98</b>
Additions during the year	-	28.15	28.15
<b>As at March 31, 2021</b>	-	<b>1,209.13</b>	<b>1,209.13</b>
Additions during the year	5.46	697.45	702.91
Disposals/adjustments/deductions		(302.65)	(302.65)
<b>As at March 31, 2022</b>	<b>5.46</b>	<b>1,603.93</b>	<b>1,609.39</b>
<b>Accumulated Depreciation</b>			
<b>As at April 01, 2020</b>	-	<b>258.42</b>	<b>258.42</b>
Additions during the year	-	169.16	169.16
<b>As at March 31, 2021</b>	-	<b>427.58</b>	<b>427.58</b>
Additions during the year	-	210.53	210.53
Disposals/adjustments/deductions	-	(156.00)	(156.00)
<b>As at March 31, 2022</b>	-	<b>482.11</b>	<b>482.11</b>
<b>Net book value :</b>			
<b>As at March 31, 2021</b>	-	<b>781.55</b>	<b>781.55</b>
<b>As at March 31, 2022</b>	<b>5.46</b>	<b>1,121.82</b>	<b>1,127.28</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 18 : OTHER NON-FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	1,378.85	281.01
Balances with revenue authorities	1,423.85	810.23
Advance for expenses	375.86	302.29
Unamortised expenses : Loan acquisition cost	128.91	81.45
Tax assets receivable	5202.05	-
Other assets	1,299.48	191.82
<b>Total</b>	<b>9,808.99</b>	<b>1,666.80</b>

### Note 19 : ASSETS HELD FOR SALE

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Assets held for sale *	353.89	-
Less: Impairment loss allowance (unrealized)	35.39	-
<b>Total</b>	<b>318.50</b>	<b>-</b>

Note\* : To mitigate the credit risk on financial assets, Centrum Housing Finance Limited (CHFL) seeks to use collateral, where possible as per the powers conferred on the HFC under SARFAESI act. In its normal course of business, CHFL does not physically repossess properties or other assets in its retail portfolio, but generally initiates action to recover the funds at auctions to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the balance sheet and are treated as assets held for sale at (i) fair value or(ii) principal outstanding, whichever is less, at the repossession date."

### Note 20 : DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Embedded derivatives on redeemable market linked debentures	33,155.20	17,178.14
<b>TOTAL</b>	<b>33,155.20</b>	<b>17,178.14</b>

#### Note:

The Group enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Group has elected not to apply hedge accounting requirements.

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

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

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Liabilities
Embedded derivatives -market linked debentures	-	33,155.20	-	17,178.14
Total derivative financial instruments	-	33,155.20	-	17,178.14

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 20 : Derivative Financial Instruments (Contd..)

#### Hedging activities and derivatives :

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Group's risk management strategy and how it is applied to manage risk are explained in Note 59.

#### Derivatives designated as hedging instruments :

The Group has not designated any derivatives as hedging instruments.

### Note 21 : PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade payables</b>		
(i) total outstanding dues of micro enterprises and small enterprises	-	5.41
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	11,298.36	8,158.14
<b>Other payables</b>		
(i) total outstanding dues of micro enterprises and small enterprises	-	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6,740.50	4.00
<b>TOTAL</b>	<b>18,038.86</b>	<b>8,167.55</b>

The amounts due to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Group. For disclosure pertaining to Micro and Small Enterprises refer Note 54)

#### Trade Payables Outstanding for following periods from due date of payment

(₹ in Lakhs)

Particulars	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
<b>March 31, 2022</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	41.68	11,214.83	1.20	-	5.40	11,263.11
Unbilled dues	-	33.88	1.37	-	-	35.25
<b>Total</b>	<b>41.68</b>	<b>11,248.71</b>	<b>2.55</b>	<b>-</b>	<b>5.40</b>	<b>11,298.36</b>
<b>March 31, 2021</b>						
Undisputed MSME	-	0.28	-	-	-	0.28
Undisputed others	34.89	8,143.56	-	-	-	8,178.45
Unbilled dues	-	-	-	-	-	-
<b>Total</b>	<b>34.89</b>	<b>8,143.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,178.73</b>

#### Other payables Outstanding for following periods from due date of payment

(₹ in Lakhs)

Particulars	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
<b>March 31, 2022</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	-	6,740.50	-	-	-	6,740.50
Unbilled dues	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>6,740.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,740.50</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 21 : PAYABLES(Continued)

(₹ in Lakhs)

Particulars	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
<b>March 31, 2021</b>						
Undisputed MSME	-	-	-	-	-	-
Undisputed others	4.00	-	-	-	-	4.00
Unbilled dues						
<b>Total</b>	<b>4.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.00</b>

### Note 22 : DEBT SECURITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>At amortised costs</b>		
Redeemable non-convertible market-linked debentures (Secured)		
(i) Privately Placed (Unlisted) (refer Note 22.1)	50,430.93	30,492.47
(ii) Privately Placed (Listed) (refer Note 22.1)	47,804.65	54,290.94
Securitisation liability (Secured) (refer Note 22.2)	-	4,302.23
Non-convertible debentures (Secured) (Unlisted) (refer Note 22.3)	-	9,104.43
Non-convertible debentures (Secured)(Listed) (refer Note 22.4)	22,480.83	24,075.54
Non-convertible debentures (Unsecured) (refer Note 22.5)	6,008.20	5,011.51
Preferential Share Capital (refer Note 22.6)	15,606.12	-
Compulsorily convertible debentures (Unsecured) (refer Note 22.7)	-	1,407.77
Commercial paper (Unsecured) (refer Note 22.8)	-	975.82
Commercial paper (Secured) (refer Note 22.9)	-	805.91
<b>TOTAL (A)</b>	<b>1,42,330.73</b>	<b>1,30,466.62</b>
Debt securities in India	1,42,330.73	1,30,466.62
Debt securities outside India	-	-
<b>TOTAL (B)</b>	<b>1,42,330.73</b>	<b>1,30,466.62</b>

Note : There is no debt security measured at FVTPL or designated FVTPL

#### 22.1 Redeemable non-convertible market linked debentures (Secured)

- (i) Privately placed unlisted redeemable non-convertible debentures of ₹1,00,000 each

##### Terms of repayment

(₹ in Lakhs)

Redeemable at par/premium (from date of the Balance Sheet) *	As at March 31, 2022	As at March 31, 2021
Maturing between 48 to 60 months	-	-
Maturing between 36 to 48 months	9,217.32	11,700.41
Maturing between 24 to 36 months	22,707.82	-
Maturing between 12 to 24 months	13,142.32	4,039.97
Maturing upto within 12 months	5,363.47	14,752.09
<b>Total</b>	<b>50,430.93</b>	<b>30,492.47</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 22 : DEBT SECURITIES (Contd..)

#### Nature of Security

Secured by first pari passu floating charge created on present and future business receivables and investments of Centrum Retail Services Limited upto 100% of the value of debenture as set out in the Debenture Trust Deed and also Secured by pari passu charge on 13,449,542 Number of equity shares of Centrum Retail Services Limited (a subsidiary of the Company) held by Centrum Capital Limited.

#### (ii) Privately placed listed redeemable non-convertible debentures of ₹1,00,000 each

(₹ in Lakhs)

Redeemable at par/premium (from date of the Balance Sheet)*	As at	
	March 31, 2022	March 31, 2021
Maturing between 48 to 60 months	-	-
Maturing between 36 to 48 months	-	-
Maturing between 24 to 36 months		7,121.48
Maturing between 12 to 24 months	7,990.25	35,472.01
Maturing upto within 12 months	39,814.40	11,697.45
<b>Total</b>	<b>47,804.65</b>	<b>54,290.94</b>

#### Nature of Security :

- Secured by i) Pari passu mortgage to be created over leasehold rights (to the extent of 210 sq ft of total sq ft of leasehold rights) in relation to leasehold property of Centrum Financial Services Limited (subsidiary company) located at Shop No.4, Rajalakshmi Nagar Layout, Mappedu- Mellnallathur Road, Erayarnangalam Village, Thiruvallur District, Pin code- 631 , and (ii) 76,99,542 Number of equity shares of Centrum Retail Services Limited (a subsidiary of the Company ) held by Centrum Capital Limited.
- Secured by first pari passu charge over present and future receivables with minimum security cover of 100% of the issued amount and identified immovable property of Unity Small Finance Bank Limited.

Note : The above mentioned debentures are secured, unlisted and listed, rated and unrated, non-convertible, principal protected, market-linked debentures carrying variable interest rate which is linked to performance of specified indices over the tenure of the debentures. Hence, the interest rate/range cannot be ascertained.

### 22.2 Securitisation Liability

#### Terms of repayment

(₹ in Lakhs)

Redeemable at par/premium (from date of the Balance Sheet)	Interest rate range	Repayment details	Amount	
			As at March 31, 2022	As at March 31, 2021
Maturing upto within 12 months	8.25%- 11%	Interest is payable monthly basis & Principal is payable on maturity	-	4,302.23
<b>Sub-total</b>			-	<b>4,302.23</b>
Less: Effective interest rate adjustment			-	-
<b>Total</b>			-	<b>4,302.23</b>

Note : Securitisation Liability is secured by supply chain receivables and cash collateral

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 22 : DEBT SECURITIES (Contd..)

#### 22.3 Non-convertible debentures (Secured-Unlisted)

##### Terms of repayment

(₹ in Lakhs)

Redeemable at par/premium (from date of the Balance Sheet)	Interest rate range	Repayment details	Amount	
			As at March 31, 2022	As at March 31, 2021
Maturing between 48 to 60 months	-	-	-	-
Maturing between 36 to 48 months	12%-13%	Bullet	-	4,100.90
Maturing between 24 to 36 months	-	-	-	-
Maturing between 12 to 24 months	12%-13%	Quarterly	-	600.00
Maturing upto within 12 months	12%-13%	Quarterly	-	4,572.00
<b>Sub-total</b>			-	<b>9,272.90</b>
Less: Effective interest rate adjustment			-	(168.47)
<b>Total</b>			-	<b>9,104.43</b>

##### Nature of Security :

The facility is secured on a first and exclusive charge basis by way of hypothecation over the portfolio loans in such a way that the security cover is met. Further, the Group has provided additional security by way of cash collateral and corporate guarantee in certain cases.

#### 22.4 Non-convertible debentures (Secured-Listed)

##### Terms of repayment

(₹ in Lakhs)

Redeemable at par/premium (from date of the Balance Sheet)	Interest rate range	Repayment details	Amount	
			As at March 31, 2022	As at March 31, 2021
Maturing between 48 to 60 months	9%	Bullet Repayment	-	3,500.00
Maturing between 36 to 48 months			-	-
Maturing between 24 to 36 months	10.6% to 12.30%	Bullet Repayment	4,100.90	1,000.00
Maturing between 12 to 24 months	10.6% to 12.30%	Quarterly	3,500.00	375.00
Maturing between 12 to 24 months	9.90%-10.00%	Quarterly & Bullet Repayment	3,500.00	8,125.00
Maturing upto within 12 months	10.00%-13.95%	Quarterly & Bullet Repayment	11,225.00	9,985.33
Maturing upto within 12 months	11.50%	Quarterly	-	1,125.00
<b>Sub-total</b>			<b>22,325.90</b>	<b>24,110.33</b>
Less: Effective interest rate adjustment			(237.30)	(34.79)
Add : Interest accrued but not due on non-convertible debenture			392.23	-
<b>Total</b>			<b>22,480.83</b>	<b>24,075.54</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 22 : DEBT SECURITIES (Contd..)

#### Nature of Security :

The facility is secured on a first ranking exclusive and continuing charge over certain identified receivables of Centrum Housing Finance Limited and of Unity Small Finance Bank Limited.

#### 22.5 Non-convertible debentures (Unsecured)

##### Terms of repayment

(₹ in Lakhs)

Redeemable at par/premium (from date of the Balance Sheet)	Interest rate range	Repayment details	As at March 31, 2022	As at March 31, 2021
Maturing more than 60 months	9.50%	Bullet	5,000.00	-
Maturing between 48 to 60 months	12.00%	Bullet	-	5,000.00
Maturing between 36 to 48 months	17.00%	Bullet	1,000.00	-
Maturing between 24 to 36 months			-	-
Maturing between 12 to 24 months			-	-
Maturing upto within 12 months	12.00%	Annually	-	11.51
<b>Sub-total</b>			<b>6,000.00</b>	<b>5,011.51</b>
Less: Effective interest rate adjustment			-	-
Add : Interest accrued but not due on non-convertible debenture			8.20	-
<b>Total</b>			<b>6,008.20</b>	<b>5,011.51</b>

#### 22.6 Preferential Share Capital

(₹ in Lakhs)

Tenure from Balance Sheet date	Interest Rate range	Repayment details	As at March 31, 2022	As at March 31, 2021
As per scheme details as per below	1% Dividend payable per annum on January 25th every year		15,606.12	-
<b>Total</b>			<b>15,606.12</b>	<b>-</b>

The Punjab and Maharashtra Co-operative Bank Limited has been amalgamated with the Bank pursuant to the Punjab and Maharashtra Co-operative Bank Limited (Amalgamation with Unity Small Finance Bank Limited) Scheme, 2022 notified by the Ministry of Finance, Department of Financial Services, Banking Division, Government of India on January 25, 2022 with effect from January 25, 2022. Terms of repayment of Perpetual Non-Cumulative Preference Shares briefed in Clause 6 Discharge of Liability of transferor bank extracted for reference.

On and from the appointed date, 80 per cent. of the uninsured deposits outstanding (aggregate in various accounts) to the credit of each institutional depositor of the transferor bank shall be converted into Perpetual Non-Cumulative Preference Shares of transferee bank with dividend of one per cent. per annum payable annually.

At the end of the 10th year from the appointed date, transferee bank will use Net Cash Recoveries (net of expenses related to such recoveries) from assets pertaining to Housing Development and Infrastructure Limited Group in excess of the principal amount of advances to Housing Development and Infrastructure Limited Group outstanding as on March 31, 2021 to buyback Perpetual Non-Cumulative Preference Shares at face value on a pro rata basis.



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 22 : DEBT SECURITIES (Contd..)

From the end of 21st year, transferee bank will buy-back the outstanding principal of the Perpetual Non-Cumulative Preference Shares, at the rate of at least 1 per cent. of the total Perpetual Non-Cumulative Preference Shares issued under the scheme per annum, provided the following conditions are satisfied, namely:—

- i. all restructured liabilities pertaining to the transferor bank including those towards Deposit Insurance and Credit Guarantee Corporation under the Scheme are fully discharged;
- ii. capital adequacy ratio of the transferee bank is at least three hundred basis points higher than the regulatory minimum capital-to-risk weighted assets ratio applicable at that point of time;
- iii. net non-performing assets of transferee bank are at least two hundred basis points lower than the prescribed threshold for Prompt Corrective Action by Reserve Bank at that point of time;
- iv. minimum net cash recovery of the principal amount of advances to Housing Development and Infrastructure Limited Group as on March 31, 2021 from assets pertaining to Housing Development and Infrastructure Limited Group is more than 70 per cent. of the principal amount of advances;
- v. the buyback of the Perpetual Non-Cumulative Preference Shares shall be capped at 10 per cent. of the yearly net profit of the transferee bank for the previous year.

#### 22.7 Compulsory convertible debentures (Unsecured)

##### Terms of repayment

(₹ in Lakhs)

Redeemable at par/premium (from date of the Balance Sheet)	Interest rate range	Repayment details	As at March 31, 2022	As at March 31, 2021
Above 60 months		The earlier of:	-	-
Maturing between 48 to 60 months	15%	(a) Expiry of the tenor of the	-	607.77
Maturing between 36 to 48 months	15%	compulsorily convertible	-	500.00
Maturing between 24 to 36 months	15%	debentures; or	-	-
Maturing between 12 to 24 months	15%	(b) At the option of the holder of	-	300.00
Maturing upto within 12 months	15%	the compulsorily convertible	-	-
		debentures by issuing a		
		notice of 7 (seven) working		
		days to the Company.		
<b>Sub-total</b>			-	<b>1,407.77</b>
Less: Effective interest rate adjustment			-	-
<b>Total</b>			-	<b>1,407.77</b>

#### 22.8 Commercial paper (Unsecured)

(₹ in Lakhs)

Tenure from Balance Sheet date	Interest rate range	Repayment details	As at March 31, 2022	As at March 31, 2021
Commercial paper issued	13.00%	Bullet	-	975.82
Less: Unamortised discount			-	-
<b>Total</b>			-	<b>975.82</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 22 : DEBT SECURITIES (Contd..)

#### 22.9 Commercial paper (Secured)

(₹ in Lakhs)

Tenure from Balance Sheet date	Interest rate range	Repayment details	As at March 31, 2022	As at March 31, 2021
Commercial paper issued	7.74% to 7.75% ( For Mar 2020 : 8.50%)	11-12 Months	-	850.00
Less: Unamortised discount			-	(44.09)
<b>Total</b>			-	<b>805.91</b>

Note : Commercial paper are secured against receivables of the subsidiary company

### Note 23 : BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>At Amortised cost</b>		
<b>a) Term loan</b>		
(i) Secured		
- from banks (refer Note 23(a)(i))	59,746.41	31,241.44
- from others (refer Note 23(a)(ii))	15,709.53	18,744.30
<b>b) Loan repayable on demand</b>		
(i) Secured		
- from banks (refer Note 23(b))	300.00	2,340.59
<b>c) Loan from related parties</b>		
Unsecured (refer Note 44.2 and 23 ('c))	25.00	25.00
<b>d) Securitisation liability (Secured) (refer Note 23(d))</b>	-	2,550.79
<b>e) Other Loans and advances</b>		
Unsecured		
- Inter-corporate deposits (ICD'S) other than related parties (refer Note 23('e))	5,860.05	6,120.00
<b>f) Lease liabilities (refer Note 53)</b>	3,600.10	1,844.61
<b>Total (A)</b>	<b>85,241.08</b>	<b>62,866.73</b>
Borrowings in India	85,241.08	62,866.73
Borrowings outside India	-	-
<b>Total (B)</b>	<b>85,241.08</b>	<b>62,866.73</b>

**Note :** There is no borrowings measured at FVTPL or designated at FVTPL

The borrowings have not been guaranteed by Directors or others and also the Group has not defaulted in repayment of principal and interest.

#### a) Details of Term loans :

##### (i) Terms of repayment in installments from banks (secured)

(₹ in Lakhs)

Tenure from Balance Sheet date	Interest rate range	Repayments details	As at March 31, 2022	Repayments details	As at March 31, 2021
Above 60 months	8.00% to 10.70%	Monthly	954.66	Monthly	1,089.62
Above 60 months	3.00% to 7.00%	Quarterly	487.64	Quarterly	425.00
Maturing between 48 to 60 months		As per PMC amalgamation scheme	14,912.93		-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 23 : Borrowings (other than debt securities) (Contd..)

(₹ in Lakhs)

Tenure from Balance Sheet date	Interest rate range	Repayments details	As at March 31, 2022	Repayments details	As at March 31, 2021
Maturing between 48 to 60 months	9.00% to 11.00%	Monthly and quarterly	-	Monthly and quarterly	77.01
Maturing between 48 to 60 months	3.00% to 7.00%	Quarterly	510.80	Quarterly	300.00
Maturing between 48 to 60 months	8.00% to 10.00%	Monthly and quarterly	1,274.06		-
Maturing between 36 to 48 months	8.00% to 11.00%	Monthly and quarterly	1,237.06	Monthly and quarterly	3,378.15
Maturing between 36 to 48 months	3.00% to 7.00%	Quarterly	510.80	Quarterly	710.00
Maturing between 36 to 48 months	10.90%	Annual installment	750.00		-
Maturing between 24 to 36 months	8.00% to 11.00%	Monthly and quarterly	2,487.77	Monthly and quarterly	4,508.96
Maturing between 24 to 36 months	9.00% to 10.90%	Monthly	2,679.55		-
Maturing between 24 to 36 months	6.90 % to 8.90%	Monthly	-	Monthly	9.04
Maturing between 24 to 36 months	3.00% to 7.00%	Quarterly	920.80	Quarterly	724.00
Maturing between 12 to 24 months	8.00% to 10.00%	Monthly and quarterly	4,918.03	Monthly	-
Maturing between 12 to 24 months	13.00% to 14.00%	Monthly	-	Monthly	259.23
Maturing between 12 to 24 months	9.00% to 12.75%	Monthly and quarterly	7,347.71	Monthly and quarterly	6,631.78
Maturing between 12 to 24 months	3.00% to 7.00%	Quarterly	934.80	Quarterly	724.00
Maturing between 12 to 24 months	6.90 % to 8.90%	Monthly	9.04	Monthly	45.66
Maturing upto within 12 months	8.00% to 10.00%	Monthly and quarterly	6,977.46		-
Maturing upto within 12 months	13.00% to 14.00%	Monthly	-	Monthly	2,331.28
Maturing upto within 12 months	12.00% to 13.00%	Monthly	-	Monthly	495.83
Maturing upto within 12 months	9.00% to 12.75%	Monthly and quarterly	11,678.95	Monthly and quarterly	8,143.31
Maturing upto within 12 months	6.90 % to 8.90%	Monthly	45.66		1,787.98
Maturing upto within 12 months	3.00% to 7.00%	Monthly	1,434.80		-
<b>Sub-total</b>			<b>60,072.52</b>		<b>31,640.89</b>
Less: Effective interest rate amortisation			(62.20)		(399.45)
Less: Effective interest rate adjustment			(263.91)		
<b>Total</b>			<b>59,746.41</b>		<b>31,241.44</b>

#### (ii) Terms of repayment in installments from others (unsecured)

(₹ in Lakhs)

Tenure from Balance Sheet date	Interest rate range	Repayments details	As at March 31, 2022	Repayments details	As at March 31, 2021
Maturing between 36 to 48 months	9.75 % to 10.75%	Monthly	4.86	Monthly	-
Maturing between 24 to 36 months	8.75% to 14.95%	Monthly and Quarterly	500.00	Quarterly	500.02
Maturing between 24 to 36 months	9.75% to 10.75%	Monthly Installment	8.97	Bullet and monthly	-
Maturing between 24 to 36 months	7.67 % to 10.43%	Monthly	-	Monthly	6.58
Maturing between 12 to 24 months	8.75% to 14.95%	Monthly	4,046.84	Monthly	41.73
Maturing between 12 to 24 months	14.00% to 15.00%	Monthly	-	Monthly	1,594.68
Maturing between 12 to 24 months	13.00% to 14.00%	Monthly and quarterly	-	Monthly and quarterly	3,467.09
Maturing between 12 to 24 months	7.67 % to 10.43%	Monthly	0.79	Monthly	4.50
Maturing upto within 12 months	8.75% to 14.95%	Monthly	11,165.82	Monthly	326.69

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 23 : Borrowings (other than debt securities) (Contd..)

(₹ in Lakhs)

Tenure from Balance Sheet date	Interest rate range	Repayments details	As at March 31, 2022	Repayments details	As at March 31, 2021
Maturing upto within 12 months	14.00% to 15.00%	Monthly and quarterly	-	Monthly and quarterly	4,011.84
Maturing upto within 12 months	13.00% to 14.00%	Monthly and quarterly	-	Monthly and quarterly	8,635.17
Maturing upto within 12 months	12.00% to 13.00%	Monthly	-	Monthly	211.96
Maturing upto within 12 months	7.67 % to 10.43%	Monthly	4.50	Monthly	34.36
<b>Sub-total</b>			<b>15,731.78</b>		<b>18,834.61</b>
Less: Effective interest rate amortisation			(22.25)		(90.33)
Less: Effective interest rate adjustment					
<b>Total</b>			<b>15,709.53</b>		<b>18,744.30</b>

#### Nature of security of term loans from bank and others

Secured against investments and moveable assets and charge of Office property at Centrum House, on specific receivables of financing business inventories and corporate guarantee. The facility is secured on a first and exclusive charge basis by way of hypothecation over the portfolio loans in such a way that the security cover is met. Further, the Group has provided additional security by way of cash collateral and corporate guarantee in certain cases.

#### b) Loan repayable on demand :

##### i) Loan repayable on demand from Banks (secured)

(₹ in Lakhs)

Particulars	Interest rate range		Repayment details	As at March 31, 2022	As at March 31, 2021
	As at March 31, 2022	As at March 31, 2021			
Bank Overdraft	8 % to 11%	7 % to 12%	Repayable on demand	300.00	2,340.59
<b>Total</b>				<b>300.00</b>	<b>2,340.59</b>

#### Nature of security of loans repayable on demand from banks and others :

Secured against term deposits, Investment property and hypothecation of specific assets covered under hypothecation loan agreements

#### c) Loan from related parties (unsecured) :

(₹ in Lakhs)

Particulars	Interest rate range		Repayment details	As at March 31, 2022	As at March 31, 2021
	As at March 31, 2021	As at March 31, 2020			
Unsecured loan from related parties	Nil	Nil	Repayable on demand	25.00	25.00
<b>Total</b>				<b>25.00</b>	<b>25.00</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 23 : Borrowings (other than debt securities) (Contd..)

#### d) Securitisation liability :

(₹ in Lakhs)

Tenure from Balance Sheet date	Interest rate range	Repayment details	As at March 31, 2022	As at March 31, 2021
13-24 months	9.60%-11.44%	Monthly	-	103.95
upto 12 months	9.60%-11.44%	Monthly	-	2,446.83
<b>Total</b>			-	<b>2,550.79</b>

#### Nature of security

Securitisation liability represents the net outstanding value (net of investment in pass-through certificates) of the sale proceeds received by the Company from securitisation trust in respect of loan assets transferred by the Company pursuant to the deed of assignment. The quantum of Credit Enhancement (CE) is determined based on the pool rating requirement. The security is offered by way of First Loss Credit Enhancement (FLCE) in the form of cash collateral / fixed deposit placed with banks and / or Second Loss Credit Enhancement (SLCE) in the form of guarantee provided by third party as the case may be.

#### e) Other Loans and advances (unsecured) :

(₹ in Lakhs)

Tenure from Balance Sheet date	Interest rate range	Repayment details	As at March 31, 2021	Repayment details	As at March 31, 2021
Maturing between 48 to 60 months	For March 31, 2020 9% to 13% : For March 31, 2021 9% to 13%	These are repayable on maturity as per terms	315.08	These are repayable on maturity as per terms	315.08
Maturing between 36 to 48 months		-	-	-	-
Maturing between 24 to 36 months		-	-	-	-
Maturing between 12 to 24 months		-	-	-	-
Maturing upto within 12 months		These are repayable on maturity as per terms	5,544.98	These are repayable on maturity as per terms	5,804.92
<b>Total</b>			<b>5,860.06</b>		<b>6,120.00</b>

### Note 24 : DEPOSITS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Savings accounts deposits	3,44,164.92	-
Current accounts deposits	35,000.66	-
Term deposits	4,625.42	-
<b>Total</b>	<b>3,83,790.95</b>	<b>-</b>

The deposits have not been guaranteed by directors or others

There has been no default in repayment of deposits and interest thereon

The deposit rates of the Bank as on March 31, 2022 are as follows :

- Savings Deposits Interest Rates: 6% to 7%
- Term deposits Interest Rates: upto 7%

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 25 : SUBORDINATED LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Subordinated liabilities -Unsecured	-	1,000.00
<b>TOTAL</b>	-	<b>1,000.00</b>
Subordinated liabilities in India	-	1,000.00
Subordinated liabilities outside India	-	-
<b>TOTAL</b>	-	<b>1,000.00</b>

#### Terms of repayment

(₹ in Lakhs)

Tenure (from the date of the Balance Sheet)	Interest rate range	Repayment details	As at March 31, 2022	As at March 31, 2021
49-60 months	17%	Bullet	-	1,000.00
<b>Sub-total</b>			-	<b>1,000.00</b>
Less: Effective interest rate adjustment			-	-
<b>Total</b>			-	<b>1,000.00</b>

### Note 26 : OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on borrowings (other than debt instruments)	349.95	455.86
Interest accrued on debt instruments	8,821.78	8,790.64
Interest accrued on subordinated debts	0.00	1.19
Unpaid dividend	4.26	4.26
Other Payables		
Expenses	4,241.28	900.79
Book overdraft from Banks	2,209.37	1,391.49
Deposits from sub-brokers	8.16	29.05
Payable to depositors of erstwhile PMC Bank upto 5 years [refer Note 61(A)(h)(i)]	1,47,589.51	-
Payable to Depositors of erstwhile PMC Bank on or after 10 years [refer Note 61(A)(h)(ii)]	93,638.07	-
Payable to DICGC [refer Note 61(A)(h)(iii)]	59,040.64	-
Liability towards devolved LC / invoke BG	28,239.80	-
Payable to assignee	498.16	367.84
Other financial liabilities	11,474.67	3,772.93
<b>TOTAL</b>	<b>3,56,115.64</b>	<b>15,714.05</b>

(\*There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Act as at the year end.)

### Note 27 : PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provision for Employee Benefits</b>		
Gratuity (refer Note 46)	1,462.27	452.63
Compensated absences	762.83	284.42
Other employee benefits	1,206.01	119.85
Provisions for contingencies	20,339.50	-
Provision for undrawn commitments	-	3.14
Other Provisions	5,458.04	-
<b>TOTAL</b>	<b>29,228.65</b>	<b>860.04</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 28 : OTHER NON-FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	1,642.47	1,393.43
Advance from customers	509.49	339.38
Unearned discounting charges	453.66	-
Other non financial liabilities	59.13	388.36
<b>TOTAL</b>	<b>2,664.75</b>	<b>2,121.17</b>

### Note 29 : EQUITY SHARE CAPITAL

#### 29.1 Details of Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
<b>Authorised shares</b>				
Equity shares of ₹ 1 each	75,00,00,000.00	7,500.00	75,00,00,000.00	7,500.00
Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 1 each fully paid up	41,60,32,740	4,160.33	41,60,32,740	4,160.33
<b>Total Equity</b>	<b>41,60,32,740</b>	<b>4,160.33</b>	<b>41,60,32,740</b>	<b>4,160.33</b>

#### 29.2 Terms and rights attached to Equity shares

The Group has issued only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. The Group has not declared/ proposed any dividend in the current year and previous year.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive any of the remaining assets of the Group, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### 29.3 Reconciliation of the number of Equity shares

Particulars	Number of shares	₹ in Lakhs
As at April 01, 2020	41,60,32,740	4,160.33
Issued during the year	-	-
<b>As at March 31, 2021</b>	<b>41,60,32,740</b>	<b>4,160.33</b>
Issued during the year	-	-
<b>As at March 31, 2022</b>	<b>41,60,32,740</b>	<b>4,160.33</b>

#### 29.4 Details of Equity shareholders holding more than 5% shares in the group

Equity shareholders	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
Businessmatch Services (India) Private Limited	13,43,99,041	32.30	13,43,99,041	32.30
JBCG Advisory Services Private Limited	2,33,38,537	5.61	2,33,38,537	5.61
Kaikobad Byramjee & Son Agency Private Limited	5,40,18,000	12.98	5,40,18,000	12.98

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 29 : EQUITY SHARE CAPITAL (Contd..)

#### 29.5 Details of Promoter's shareholdings

Equity shareholders	As at March 31, 2022			As at March 31, 2021		
	Number of shares	% holding	% of change during the year	Number of shares	% holding	% of change during the year
Businessmatch Services (India) Private Limited	13,43,99,041	32.30	0%	13,43,99,041	32.30	0%
JBCG Advisory Services Private Limited	2,33,38,537	5.61	0%	2,33,38,537	5.61	15%
BG Advisory Services LLP	10,18,000	0.24	0%	10,18,000	0.24	-75%

#### 29.6 Shares reserved for issue under Employee Stock Option Scheme

Information relating to the Centrum Capital Limited Employee Stock Option Scheme (ESOS), including details regarding options issued, exercised and lapsed during the year and options outstanding at the end of the reporting period is set out in Note 43.

### Note 30 : OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital reserves	0.00	0.00
Securities premium	41,308.39	20,892.03
Debenture redemption reserve	4,052.85	5,794.35
Amalgamation reserve	15,103.33	-
Share option outstanding account	1,006.47	1,337.78
Treasury shares	(2,310.54)	(2,310.54)
ESOP Trust reserve	2365.00	2,376.79
General reserve	6,158.55	4,417.05
Statutory reserve under Section 45-IC	245.15	386.15
Special reserve under Section 29C	279.10	279.10
Impairment reserve	1,808.02	1,619.82
Capital redemption reserve	93.31	93.31
Capital reserve on consolidation	1,047.05	1,047.05
Retained earnings	(7,694.51)	17,629.72
Equity component of compound financial instrument	-	375.43
Equity component of compound financial instrument	(90.76)	(90.76)
Foreign exchange translation reserve	(41.70)	(57.58)
<b>Total</b>	<b>63,329.70</b>	<b>53,789.68</b>

#### 30.1 Nature and purpose of other equity

##### Capital reserve

Capital reserve is created due to gift of 525,000 equity shares of Rap Media Limited.

##### Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 30 : Other Equity (Contd..)

#### Debenture redemption reserve

The Companies Act, 2013 requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Company is required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On completion of redemption, the reserve may be transferred to General reserves.

#### Share options outstanding account

The Employee Stock Options outstanding represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the Statement of Profit and Loss in respect of equity-settled share options granted to the eligible employees of the Company and its subsidiaries in pursuance of the Employee Stock Option Plan.

#### General reserve

General reserve is a free reserve available for distribution subject to compliance with the Companies (Declaration and Payment of Dividend) Rules, 2014.

#### Statutory reserve u/s 45-IC of The Reserve Bank of India Act, 1934

The Company transfers a sum of not less than twenty per cent of net profit of that year as disclosed in the statement of profit and loss to its Statutory reserve pursuant to Section 45-IC of the RBI Act, 1934.

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:

- (1) Every non-banking financial Company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal. Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty-one days by such further period as it thinks fit or condone any delay in making such report.

#### Special reserve u/s 29C of The National Housing Bank Act, 1987

In terms of Section 29C of the National Housing Bank Act, 1987 every housing finance institution which is a company is required to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the profit and loss account before any dividend is declared. Housing Finance Companies (HFCs), are permitted to withdraw from the said reserve fund, the excess amount credited (in excess of the statutory minimum of 20%) in the previous years for any business purposes subject to suitable disclosure in the balance sheet and in the case of HFCs which have transferred only the statutory minimum in the previous years to selectively permit them to withdraw from the reserve fund only for the purpose of provisioning for non-performing assets subject to the conditions that there is no debit balance in the profit and loss account and that the reason for such withdrawal are stated explicitly in the balance sheet.

#### Impairment reserve

In line with the RBI Circular No. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March, 2020, the Company has created provision for impairment on financial instruments and the excess of the provision prescribed under IRACP norms over and above the ECL as per the Ind AS 109 norms has been transferred to a separate Impairment reserve through an appropriation from the net profit or loss for the year. This appropriation has been reflected in the statement of changes in equity under retained earnings. Further, the withdrawal from this reserve can be done only with prior permission of RBI.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 30 : OTHER EQUITY (Contd..)

#### Capital redemption reserve

The same has been created in accordance with provisions of Companies Act for the buyback of equity shares.

#### Capital reserve on consolidation

Capital reserve represents reserves created pursuant to the business combination up to year end.

#### Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Group's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

#### Equity component of compound financial instruments

The Company has issued compound financial instruments amounting to ₹ 5,00,00,000 which includes a liability component and an equity component. The equity component has been shown here.

#### Equity instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The group transfers amounts from this reserve to retained earnings then the relevant equity securities are derecognised.

#### Foreign exchange translation reserve

The exchange differences arising out of year end translation of Group entities having functional currency other than Indian rupees is debited or credited to this reserve.

### 30.2 Movement in other equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>a) Securities premium</b>		
Opening balance	20,892.03	20,892.03
Add: Premium received on issue of securities	20,416.36	-
<b>Closing balance</b>	<b>41,308.39</b>	<b>20,892.03</b>
<b>b) Debenture redemption reserve</b>		
Opening balance	5,794.35	8,438.25
Less: Transfer (to)/from general reserve	(1,741.50)	(2,643.90)
<b>Closing balance</b>	<b>4,052.85</b>	<b>5,794.35</b>
<b>c) Amalgamation reserve</b>		
Opening balance	-	-
Add: Transfer from retained earnings	15,103.33	-
<b>Closing balance</b>	<b>15,103.33</b>	-
<b>d) Share option outstanding account</b>		
Opening balance	1,337.78	1,016.77
Add : Share based payment expenses	172.65	397.96
Less: Transfer (to)/from general reserve		(76.95)
Less : Termination of services	(503.96)	-
<b>Closing balance</b>	<b>1,006.47</b>	<b>1,337.78</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 30 : Other Equity (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>e) Treasury shares</b>		
Opening balance	(2,310.54)	(2,373.04)
Add : Purchase of treasury shares (net)	-	62.50
<b>Closing balance</b>	<b>(2,310.54)</b>	<b>(2,310.54)</b>
<b>d) General reserve</b>		
Opening balance	4,417.05	1,696.20
Add: Transfer (to)/from general reserve	1,741.50	2,720.85
<b>Closing balance</b>	<b>6,158.55</b>	<b>4,417.05</b>
<b>e) Statutory reserve under Section 45-IC</b>		
Opening balance	386.15	311.49
Add: Transfer (to)/from retained earnings	(141.00)	74.66
<b>Closing balance</b>	<b>245.15</b>	<b>386.15</b>
<b>f) Special reserve under Section 29C</b>		
Opening balance	279.10	61.42
Add: Transfer (to)/from retained earnings	-	217.68
<b>Closing balance</b>	<b>279.10</b>	<b>279.10</b>
<b>g) Impairment reserve *</b>		
Opening balance	1,619.82	659.65
Add: Transfer (to)/from retained earnings	188.20	960.17
<b>Closing balance</b>	<b>1,808.02</b>	<b>1,619.82</b>
<b>h) Capital redemption reserve</b>		
Opening balance	93.31	93.31
Add : Additions during the year	-	-
<b>Closing balance</b>	<b>93.31</b>	<b>93.31</b>
<b>i) Capital reserve on consolidation</b>		
Opening balance	1,047.05	1,047.05
Add : Additions during the year	-	-
<b>Closing balance</b>	<b>1,047.05</b>	<b>1,047.05</b>
<b>j) Retained earnings</b>		
Opening balance	17,629.72	23,916.03
Add : Profit for the year	(17,662.44)	(4,676.71)
Add : Other Comprehensive Income	(245.85)	(36.71)
Add: Transfer (to)/from impairment reserve	(188.20)	(960.17)
Add: Transfer (to)/from statutory reserve	141.00	(74.66)
Add: Transfer (to)/from special reserve	-	(217.68)
Add: Adjustments on account of change in holdings	(7,368.75)	(320.37)
<b>Closing balance</b>	<b>(7,694.51)</b>	<b>17,629.73</b>
<b>k) Equity component of compound financial instrument</b>		
Opening balance	375.43	-
Add : Additions during the year	-	375.43
Add : Adjustments during the year	(375.43)	-
<b>Closing balance</b>	<b>-</b>	<b>375.43</b>
<b>m) Equity Instruments through Other Comprehensive Income</b>		
Opening balance	(90.76)	(90.08)
Add : Additions during the year	-	(0.68)
<b>Closing balance</b>	<b>(90.76)</b>	<b>(90.76)</b>
<b>n) Foreign exchange translation reserve</b>		
Opening balance	(57.58)	(42.29)
Add : Additions during the year	15.88	(15.30)
<b>Closing balance</b>	<b>(41.70)</b>	<b>(57.59)</b>

Note :

(\*During the financial year ended March 31, 2022, the loans and advances held by the Centrum Financial Services Limited ('CFSL') were transferred to Unity Small Finance Bank Limited ('USFB'), as required by the RBI License issued on October 12, 2021. As on the date of transfer, the CFSL held ₹ 1,808.02 Lakhs in impairment reserve as required by RBI Notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020. As on March 31, 2022, CFSL does not hold any loans and advances and has grouped it under retained earnings for financial year ended March 31, 2022. The CFSL has also sought ratification of the same from RBI vide a communication dated March 30, 2022. This amount shall not be available for appropriation pending ratification by RBI.)

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 31 : INTEREST INCOME

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Interest Income :</b>		
On Financial assets measured at amortised cost:		
- on portfolio loans	27,769.41	25,151.01
- on debt instruments	4,038.01	303.72
- on intercorporate deposits	4,449.60	3,921.45
On fixed deposits with banks	665.15	419.85
Other interest income	1,529.83	1,185.69
<b>Total</b>	<b>38,452.00</b>	<b>30,981.72</b>

### Note 32 : FEES AND COMMISSION INCOME

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Syndication, commission and brokerage	18,359.97	12,681.84
Advisory income	414.83	174.79
Consultancy fees	2,363.34	1,057.16
Business support service fees	1,429.22	1,184.20
Other fees	1,161.67	1,487.66
<b>Total</b>	<b>23,729.03</b>	<b>16,585.65</b>

Other Ind AS 115 disclosures- Revenue from contract with customers

Set out below is the disaggregation of the revenue from contracts with customers

Type of service	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Fees and Commission Income	23,729.03	16,585.65
	<b>23,729.03</b>	16,585.65
Total revenue from contracts with customers :		
Geographical markets		
India	23,602.58	16,510.17
Outside India	126.45	75.48
<b>Total revenue from contracts with customers</b>	<b>23,729.03</b>	<b>16,585.65</b>
<b>Timing of revenue recognition :</b>		
Services transferred at point in time	23,729.03	16,585.65
Services transferred overtime	-	-
<b>Total revenue from contracts with customers</b>	<b>23,729.03</b>	<b>16,585.65</b>

Note : The Company satisfies its performance obligations on completion of service with regards to investment banking, advisory and other fees. The payments on these contracts is due on completion of service, the contracts do not contain significant financing components and the consideration is not variable.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 33 : NET GAIN/(LOSS) ON FAIR VALUE CHANGES

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Net gain /(loss) on financial instruments at FVTPL</b>		
On trading portfolio		
- Equity investment	556.10	306.18
- Debt instrument and other investments	905.75	605.98
On non trading portfolio		
- Equity investment	14.83	258.39
- Debt instrument and other investments	(2,871.44)	304.60
Net gain on derecognition of financial instruments under amortised cost category	327.36	738.86
<b>Total net gain on fair value changes</b>	<b>(1,067.41)</b>	<b>2,214.01</b>
Fair value changes :		
- Realised	934.44	1,651.59
- Unrealised	(2,001.84)	562.43
<b>Total Net gain on financial instruments at FVTPL</b>	<b>(1,067.41)</b>	<b>2,214.01</b>

### Note 34 : OTHER OPERATING INCOME

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Other fees income	1459.71	240.53
<b>Total</b>	<b>1,459.71</b>	<b>240.53</b>

### Note 35 : OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>On financial assets measured at amortised costs</b>		
Interest on advances	121.26	48.00
Interest on deposits with bank	409.87	228.36
Other interest income	185.19	213.87
<b>On financial assets measured at fair value through profit or loss</b>		
Interest income on financial assets	41.64	1.00
Dividend income on Equity shares	5.90	(0.00)
Interest on income tax refund	175.69	318.95
Gain on modification of leases	37.32	94.36
Gain on direct assignment	127.16	-
Marketing income	615.60	-
Loan processing fees/pre-closure charges	120.57	-
Other non operating income	138.31	388.08
<b>Total</b>	<b>1,978.51</b>	<b>1,292.62</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 36 : FINANCE COSTS

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>On financial liabilities measured at amortised cost:</b>		
Interest on debt securities	19,345.24	15,181.74
Interest on borrowings (other than debt securities)	5,874.07	7,738.47
Other interest expenses	314.92	297.21
Interest on lease liability	150.58	250.69
Interest on restructured liability	4,738.83	-
Interest on subordinate liability	1,214.05	334.19
Other borrowing costs	1,361.01	40.57
<b>Total</b>	<b>32,998.70</b>	<b>23,842.87</b>

### Note 37 : IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Impairment on financial instruments measured at amortised cost</b>		
on loans	2,374.59	1,905.49
on undrawn commitments	(2.36)	(1.36)
on trade and other receivables	1,1106.35	(206.70)
<b>Total</b>	<b>3,478.58</b>	<b>1,697.43</b>

### Note 38 : EMPLOYEE BENEFITS EXPENSES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and bonus	24,781.26	17,904.72
Share based payment expenses (refer Note 43)	(351.39)	397.96
Contribution to provident and other funds	1,314.70	1,256.68
Staff welfare expenses	168.54	87.77
<b>Total</b>	<b>25,913.11</b>	<b>19,647.13</b>

### Note 39 : DEPRECIATION AND AMORTISATION

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	809.63	573.35
Amortisation of intangible assets	210.53	169.16
Depreciation on Right-of-Use assets	1,126.65	1,176.70
<b>Total</b>	<b>2,146.81</b>	<b>1,919.21</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 40 : OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Rent expenses</b>	789.88	561.28
Rates and taxes	417.51	25.76
Electricity expenses	72.74	60.77
Net loss on foreign currency transaction	0.87	2.63
Repair and maintenance	247.83	122.22
Computer and software expenses	796.88	549.43
Insurance	208.34	69.80
Business promotion	284.00	251.17
Meeting and seminars	130.62	60.19
Subscription and membership fees	291.30	230.41
Commission and brokerage	938.27	797.00
Travelling and conveyance	513.53	238.49
Vehicle expenses	93.64	76.36
Communication costs	157.88	155.15
Printing and stationery	109.69	45.65
Legal & professional charges	4,055.78	2,385.25
Office expenses	652.11	401.29
Director's sitting fees	209.00	190.00
Allowances for loans and advances	6,921.33	91.45
Loss on sale of Property, plant & equipment	-	0.77
Auditor's Remuneration (refer Note 39.1)	158.99	123.33
Corporate social responsibility expenditure (refer Note 40.2)	40.59	55.26
Property, plant and equipment written off	-	121.55
Miscellaneous expenses	1,328.45	792.51
<b>Total</b>	<b>18,419.23</b>	<b>7,407.72</b>

### Note 40.1 : AUDITORS REMUNERATION

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Statutory audit fees	110.47	77.00
Other services	27.20	30.34
Certification work	12.96	11.87
Tax audit fees	6.20	3.45
Out-of-pocket expenses	2.16	0.67
<b>Total</b>	<b>158.99</b>	<b>123.33</b>

### Note 40.2 : CONTRIBUTION FOR CORPORATE SOCIAL RESPONSIBILITY (CSR)

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
As per the provisions of Section 135 of Companies Act, 2013		
A) Gross amount required to be spent by the Company during the year was	12.28	16.59
B) Amount spent during the year on		
I Construction/acquisition of any assets		
i) In cash	-	-
ii) Yet to be paid in cash	-	-
<b>Total (I)</b>	<b>-</b>	<b>-</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 40 : Other Expenses (Contd..)

Particulars	(₹ in Lakhs)	
	For the year ended 31 March, 2022	For the year ended 31 March, 2021
II On purpose other than (i) above		
i) In cash	40.59	55.26
ii) Yet to be paid in cash	-	-
<b>Total (II)</b>	<b>40.59</b>	<b>55.26</b>
<b>Total (I + II)</b>	<b>40.59</b>	<b>55.26</b>

Following details are with regard to CSR activities:-

Particulars	(₹ in Lakhs)	
	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(a) amount required to be spent by the company during the year,	12.28	16.59
(b) amount of expenditure incurred,	40.59	55.26
(c) shortfall at the end of the year,	-	-
(d) total of previous years shortfall,	-	-
(e) reason for shortfall,	NA	NA
(f) nature of CSR activities	Refer below note	
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	-	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

#### Note:

#### Nature of CSR activities as follow:

- Hiring individuals through the National Apprenticeship Promotion Scheme helps us address any skill gap in the industry, we are able to reduce attrition levels and customize training. The scheme entails creating first time employment for fresher's and providing financial support to establishments undertaking apprenticeship programs, additionally this in line with the Government of India's goal of reducing unemployment in India.
- Donating money to PM Cares to address the emergency situation-out break of the pandemic.
- Providing food and other basic essentials to affected families with the objective of easing food troubles in times of crisis. Feeding the needy, eradicating hunger, poverty and malnutrition.

### Note 41 : Income taxes

#### 41.1 The components of income tax expense for the year ended March 31, 2022 and year ended March 31, 2021

Particulars	(₹ in Lakhs)	
	Year ended 31 March, 2022	Year ended 31 March, 2021
Current tax	593.22	562.86
Adjustment in respect of current income tax of prior years	11.77	501.75
Deferred tax relating to origination and reversal of temporary differences	(42.94)	(83.57)
MAT	-	-
<b>Income tax expense reported in statement of profit and loss</b>	<b>562.05</b>	<b>981.04</b>



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 41 : Income taxes (Contd..)

	(₹ in Lakhs)	
Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Current tax	604.99	1,064.61
Deferred tax	(42.94)	(83.57)
<b>Income tax recognised in Other Comprehensive Income (OCI)</b>		
Deferred tax related to items recognised in OCI during the year:		
- Fair value changes on equity instruments through OCI	-	-
- Remeasurement of defined benefit plans	165.98	5.01
<b>Income tax charged to OCI</b>	<b>165.98</b>	<b>5.01</b>

#### 41.2 Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2022 and March 31, 2021 is, as follows:

	(₹ in Lakhs)	
Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Accounting profit before tax	(18,431.87)	(3,199.82)
Applicable statutory enacted income tax rate	26.00%	26.00%
Computed tax expense	(4,792.28)	(831.95)
<b>Increase/(Reduction) in Taxes on account of</b>		
<b>Items (Net) not deductible for Tax/not Liabile to tax</b>		
Others	451.55	135.42
<b>Income not subject to tax or chargeable at lower rate</b>		
Capital Gain on sale of investments (net)	-	18.75
Different tax rates of subsidiaries*	3,946.52	331.45
Tax losses and unabsorbed depreciation	153.45	607.94
Deduction u/s 36(1)(viii) of Income Tax Act, 1961	280.09	217.69
Reversal of MAT	510.95	-
MAT credit entitlement	-	326.06
Tax expense relating to earlier years (net)	11.77	175.69
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>562.05</b>	<b>981.04</b>

Note\* : Post BTA of two subsidiaries CFSL and CML, there being no virtual certainty supported by convincing evidence that there shall be future taxable profits against which the unabsorbed losses/accumulated losses would be utilised in said companies, the deferred tax assets appearing in the respective books have been reversed resulting in high effective tax rates for the year ended March 31, 2022

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 41 : Income taxes (Contd..)

#### 41.3 Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expenses

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax assets</b>		
Expenses allowable under section 43B of the Income Tax Act, 1961 on payment basis	192.61	220.66
Impairment allowance for financial assets	876.61	1,014.66
Fair valuation of financial instruments	15.13	149.64
Employee benefit obligations	543.35	178.22
MAT credit entitlement	2,070.82	2,824.04
Effective interest rate on financial assets	436.00	286.30
Leases impact, net- ROU and lease liabilities	8.09	2.23
Tax (losses)/benefit carry forwards, net	244.93	1,635.58
Goodwill	-	33.44
Provision on loans	74,522.80	-
Others	181.01	63.32
<b>Deferred tax assets (A)</b>	<b>79,091.35</b>	<b>6,407.09</b>
<b>Deferred tax liabilities</b>		
Fair valuation of financial instruments	20.57	410.02
Property, plant and equipment	221.07	480.64
Effective interest rate on financial liabilities	271.06	316.35
Others	12.66	53.40
<b>Deferred tax liabilities (B)</b>	<b>525.36</b>	<b>1,260.41</b>
<b>Deferred tax assets (net) [(A)- (B)]</b>	<b>78,565.99</b>	<b>5,146.68</b>

(₹ in Lakhs)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Income Statement	OCI	Income Statement	OCI
<b>Deferred tax assets</b>				
Expenses allowable under section 43B of the Income Tax Act, 1961 on payment basis	28.05	-	167.42	-
Impairment allowance for financial assets	138.05	-	94.99	-
Fair valuation of financial instruments	134.51	-	235.39	-
Employee benefit obligations	(199.15)	165.98	(78.35)	5.01
MAT credit entitlement	753.22	-	(187.02)	-
Effective interest rate on financial assets	(149.70)	-	(38.89)	-
Leases impact, net - ROU and lease liabilities	(5.86)	-	62.48	-
Tax (losses)/benefit carryforwards, net	1,390.65	-	(714.55)	-
Goodwill adjustments	33.44	-	-	-
Provision on loans	(1,312.41)	-	-	-
Others	(118.70)	-	(14.94)	-
<b>Deferred tax assets (A)</b>	<b>692.11</b>	<b>165.98</b>	<b>(473.48)</b>	<b>5.01</b>
<b>Deferred tax liabilities</b>				
Fair valuation of financial instruments	389.45	-	(410.02)	-
Property, plant and equipment	259.57	-	(157.83)	-
Effective interest rate on financial liabilities	45.29	-	141.22	-
Others	40.74	-	36.72	-
<b>Deferred tax liabilities (B)</b>	<b>735.05</b>		<b>(389.91)</b>	
<b>Total (net) [(A)- (B)]</b>	<b>(42.94)</b>	<b>165.98</b>	<b>(83.57)</b>	<b>5.01</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 42: EARNING PER SHARE (EPS)

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Net profit/(loss) attributable to ordinary equity holders (A)	(17,674.21)	(4,687.19)
Weighted average number of equity shares for basic EPS (in ) (B)	41,60,32,740	41,60,32,740
Weighted average number of equity shares for diluted EPS (in ) (C)	41,60,32,740	41,60,32,740
Basic earnings per equity share (face value of ₹ 1 per share) (A/B)	(4.25)	(1.13)
Diluted earnings per equity share (face value of ₹ 1 per share) (A/C)	(4.25)	(1.13)

### Note 43: EMPLOYEE STOCK OPTION PLAN

#### 43.1 Employee Stock Option Plan

The Group has recognised share-based payment expenses for the years ended March 31, 2021 and March 31, 2020 based on fair value as on the grant date calculated as per option pricing model. The grants represent equity-settled options under the Employee Stock Options Plans (hereinafter referred to as ESOP 2017, ESOP 2018, CFSL ESOP, CHFL ESOP , CML EIS Schemes or ESOP's).

The Company has granted ESOPs to its employees and also to employees of group companies. The Company has two employee stock option schemes viz. CCL Employee Stock Option Scheme 2017 and CCL Employee Stock Option Scheme 2018 as tabulated below. Further, CFSL has also granted ESOP to its employees under two employees stock option schemes viz. CFSL ESOP Scheme I and CFSL ESOP Scheme II, CHFL has also granted ESOP to its employees under employees stock option scheme viz. CHFL ESOP Schemes and CML has also granted ESOP to its employees under two employee stock option schemes viz. CML Employee Incentive Scheme - Series I, CML Employee Incentive Scheme - Series II & CML Employee Incentive Scheme - Series III

#### a) Centrum Capital Limited : CCL ESOP SCHEMES :-

##### CCL Employee Stock Option Scheme 2017

The scheme was approved by shareholders on August 31, 2017 for grant of stock options and all the granted options shall vest with the participant on the last day of the of 1st year from the grant date

##### CCL Employee Stock Option Scheme 2018

The Scheme was approved by Shareholders on March 29, 2018 for grant of stock options and below are vesting requirements:

Sr. No.	Particulars	Maximum options entitled for vesting
1	At the end of Year 1 from the Grant date	20 (Twenty)% of total options granted
2	At the end of Year 2 from the Grant date	20 (Twenty)% of total options granted
3	At the end of Year 3 from the Grant date	20 (Twenty)% of total options granted
4	At the end of Year 4 from the Grant date	20 (Twenty)% of total options granted
5	At the end of Year 5 from the Grant date	20 (Twenty)% of total options granted

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 43: Employee Stock Option Plan (Contd..)

The details of activity under both Schemes (Face value of ₹ 1/- each) are summarized below:

(₹ in Lakhs)

Particulars	Number of options for year ended	
	March 31, 2022	March 31, 2021
<b>Scheme 2017 : Face value of ₹ 1 each</b>		
Exercise price	refer Note A below	refer Note A below
Options outstanding as at beginning of the year	8,00,000	13,00,000
Add: Granted	-	-
Less: Exercised	-	5,00,000
Less: Forfeited/Cancelled	-	-
Less: Lapsed	-	-
<b>Option outstanding end of the year</b>	<b>8,00,000</b>	<b>8,00,000</b>
<b>Exercisable at the end of the year</b>	<b>8,00,000</b>	<b>8,00,000</b>
<b>Scheme 2018 : Face value of ₹ 1 each</b>		
Exercise price	refer Note A below	refer Note A below
Option outstanding as at beginning of the year	38,00,000	38,00,000
Add Granted	-	-
Less: Exercised	-	-
Less: Forfeited/Cancelled	-	-
Less: Lapsed	-	-
<b>Option outstanding as at end of the year</b>	<b>38,00,000</b>	<b>38,00,000</b>
<b>Exercisable at the end of the year</b>	<b>18,50,000</b>	<b>10,90,000</b>

#### Note A:

Particulars	Scheme 2017	Scheme 2018
Exercise price/Pricing Formula	The exercise price for the options granted shall be ₹12.50 per share	The exercise price for the options granted shall be decided by the Board/Committee/Trust, in such manner, during such period, in one or more tranches and on such terms and conditions as it may deem fit, provided that the exercise price per option shall not be less than the face value of the equity share of the Company and shall be subject to compliance with the accounting policies under the regulations as may be applicable.
Total number of stock options approved (total shares lying with the Trust)	2,45,81,160	2,45,81,160
Maximum term of stock options granted	5 years	5 years
Source of shares (primary, secondary or combination)	Secondary	Secondary
Date of grant	Various Dates	Various Dates
Total number of options granted	18,00,000	38,00,000
Method of settlement	Equity	Equity
Total number of options granted but not vested	-	19,50,000
Vested but not exercised	8,00,000	18,50,000
Exercise period	5 Years from each grant date	5 Years from each grant date
Weighted average share price at the date of exercise for stock options exercised during the year	NA	NA

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 43: Employee Stock Option Plan (Contd..)

#### Details of Options granted:

Particulars	Scheme 2017			Scheme 2018		
	Sept 17, 2019	Oct 1 2018	Apr 12, 2018	July 26, Sept 17 and 20, 2019	Aug 29, 2018	Dec 14, 2018
Number of options granted	5,00,000	5,00,000	12,00,000	21,50,000	10,00,000	7,50,000
Number of options forfeited/cancelled	-	-	4,00,000	-	1,00,000	-
Number of options granted (net)	5,00,000	5,00,000	8,00,000	21,50,000	9,00,000	7,50,000
Range of risk free interest rate	6.46%	8.04%	7.32%	-	8.14% (8.31%)	7.35% (7.50%)
Dividend yield	0.16%	0.08%	0.08%	-	0.08%	0.08%
Expected volatility	20.05%	21.16%	19.84%	-	25.19%	17.24% (21.75%)
Exercise price (₹)	12.5	12.5	12.5	Not yet determined	27.75	29.00
Fair value of option (₹)	15.39	27.5	52.58	Not yet determined	10.1 to 14.64	17.87 to 22.74
No. of years vesting	on the last day of the of 1st year from the Grant date			As per vesting schedule described above		

Vesting of options is subject to continued employment during the vesting period.

#### b) Centrum Financial Services Limited : CFSL ESOP SCHEMES :-

Particulars	Scheme I	Scheme I	Scheme I	Scheme I	Scheme II	Scheme II	Scheme II
Date of grant	03 April 2018	20 June 2018	14 October 2019	05 August 2020	20 June 2018	05 January 2021	29 January 2021
Date of board approval	22 March 2018	22 March 2018	22 March 2018	22 March 2018	22 March 2018	22 March 2018	22 March 2018
Date of shareholder's approval	02 April 2018	02 April 2018	02 April 2018	02 April 2018	02 April 2018	02 April 2018	02 April 2018
Number of options granted	16,81,031	6,00,000	1,29,356	15,15,000	5,45,000	7,67,000	1,12,500
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting period	4 Years	4 Years	4 Years	4 Years	5 Years	5 Years	5 Years
Weighted average remaining contractual life (Vesting period)	4 Years	4 Years	4 Years	4 Years	5 Years	5 Years	5 Years
Granted but not vested	16,81,031	6,00,000	1,29,356	15,15,000	5,45,000	7,67,000	1,12,500
Vested but not exercised	-	-	-	-	-	-	-
Weighted average share price at the date of exercise for stock options exercised during the year	NA	NA	NA	NA	NA	NA	NA
Exercise period	4 Years	4 Years	4 Years	8 Years	5 Years	9 Years	9 Years
Weighted average fair value of options (granted but not vested) as on grant date	24.20	24.42	22.87	22.87	24.80	25.93	25.93

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 43: Employee Stock Option Plan (Contd..)

The estimated fair value of options was calculated by applying Black and Scholes Model. Below mentioned are the model inputs used for calculating estimated fair value.

Particulars	Scheme I	Scheme I	Scheme I	Scheme I	Scheme II	Scheme II	Scheme II
Range of Risk free interest rate	7.55%	8.06%	6.75%	8.18%	7.98%	6.13%	6.13%
Dividend yield	0%	0%	0%	0%	0%	0%	0%
Expected volatility	16.16%	17.00%	17.74%	56.50%	16.06%	55.74%	55.74%

Vesting of options is subject to continued employment during the vesting period.

The details of activity under both Schemes (Face value of ₹ 10/- each) are summarized below:

(₹ in Lakhs)

Particulars	For the year ended	
	March 31,2021	March 31,2020
<b>Scheme-I : Face value of ₹ 10 each</b>		
Exercise price ₹ 10 each		
Options outstanding as at beginning of the year	35,15,387	22,25,387
Add: Granted	-	15,15,000
Less: Exercised	-	-
Less: Forfeited	(35,15,387)	-
Less: Lapsed	-	(2,25,000)
<b>Option outstanding end of the year</b>	-	35,15,387
<b>Exercisable at the end of the year</b>	-	-
<b>Scheme-II : Face value of ₹ 10 each</b>		
Exercise price ₹ 10 each		
Option outstanding as at beginning of the year	10,79,500	5,45,000
Add: Granted	-	8,79,500
Less : Exercised	-	-
Less: Forfeited	(10,79,500)	-
Less: Lapsed	-	(3,45,000)
<b>Option outstanding as at end of the year</b>	-	10,79,500
<b>Exercisable at the end of the year</b>	-	-

#### c) Centrum Housing Limited : CHFL ESOP SCHEMES :-

Particulars	ESOP Series I				ESOP Series II
	Tranche-I	Tranche-II	Tranche-III	Tranche-IV	Tranche-I
No. of options approved	30,45,000	19,99,999	20,00,000	26,68,501	7,30,000
Date of grant	01-04-2019	07-05-2019	31-08-2019	21-02-2022	01-04-2019
No. of options granted	30,45,000	19,99,999	20,00,000	26,68,501	7,30,000
Exercise price per option	10	10	10	10	10
Method of settlement	Equity	Equity	Equity	Equity	Equity
Vesting year and conditions	Options to vest as per stipulated vesting schedule ("Fixed Vesting")				
Exercise period (years)	5	5	5	5	4

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 43: Employee Stock Option Plan (Contd..)

(B) Computation of fair value of options granted during the year ended March 31, 2022:

Particulars	ESOP Series I- Tranche-IV
No. of option granted	26,68,501
Vesting date	21-02-2025
Fair value per option	23.63
Life of the option (in year)	5
Risk free interest rate	5.85%
Volatility	8.51%
Dividend yield	0.00%

(C) Reconciliation of options

Particulars	ESOP Series I				ESOP Series II
	Tranche-I	Tranche-II	Tranche-III	Tranche-IV	Tranche-I
Options outstanding at April 1, 2021	28,30,000	19,99,999	20,00,000	-	2,20,000
Granted during the year	-	-	-	26,68,501	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	-	-	-	-	-
Expired / lapsed during the year	-	-	-	-	-
<b>Outstanding at March 31, 2022</b>	<b>28,30,000</b>	<b>19,99,999</b>	<b>20,00,000</b>	<b>26,68,501</b>	<b>2,20,000</b>
<b>Exercisable at March 31, 2022</b>	<b>28,30,000</b>	-	-	-	-
Weighted average remaining contractual life (in years)	5	5.1	5.42	7.9	5

Particulars	ESOP Series I				ESOP Series II
	Tranche-I	Tranche-II	Tranche-III	Tranche-IV	Tranche-I
Options outstanding at April 1, 2020	-	-	-	-	-
Granted during the year	28,90,000	19,99,999	20,00,000	-	4,55,000
Forfeited during the year	-	-	-	-	-
Exercised during the year	-	-	-	-	-
Expired / lapsed during the year	(60,000)	-	-	-	(2,35,000)
Outstanding at March 31, 2021	28,30,000	19,99,999	20,00,000	-	2,20,000
Exercisable at March 31, 2021	-	-	-	-	-
Weighted average remaining contractual life (in years)	6	6.09	6.41	0	6

d) **Centrum Microcredit Limited : CML ESOP SCHEMES :-**

EMPLOYEES INCENTIVE SCHEME (EIS)

This scheme "the CML Employee Incentive Scheme" ("CML EIS" or "the Scheme") forms a part of the CML Employees Incentive Plan ("CML EIP" or "the Plan"), as amended from time to time.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 43: Employee Stock Option Plan (Contd..)

The "Scheme" has been approved in the following manner:

Scheme	Date of approval by board via special resolution	Date of which scheme has been notified to the board
CML employee incentive scheme - Series I	22nd May, 2019	26th April, 2019
CML employee incentive scheme - Series II	22nd May, 2019	26th April, 2019
CML employee incentive scheme - Series III	18th September, 2020	20th August, 2020

a. The Company has provided following share based options to its employees:

Particulars	CML EIS - Scheme I	CML EIS - Scheme II	CML EIS - Scheme III
Date of the grant	08-11-2019, 26-11-2020 & 01-04-2021	08-11-2019 & 26-11-2020	20-11-2020, 22-02-2021 & 03-05-2021
Date of board meeting, where the EIS Plan was approved	26-04-2019	26-04-2019	20-08-2020
Date of committee meeting where grant of options were approved	05-11-2019, 05-11-2020	05-11-2019, 05-11-2020	05-11-2020, 01-02, 2021 & 03-05-2021
Date of shareholders' approval	22-05-2019	22-05-2019	18-09-2020
No. of options granted	19,00,000	6,50,000	15,25,000
Method of settlement	Equity	Equity	Equity
Vesting conditions	The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the Scheme.		
Vesting period (Years)	2.59, 3, 4	2.59, 3, 4	20% every year for 5 years
Exercise period (Years)	4	4	3

#### Details of Vesting and Exercise of Options

Scheme	Vested options	No of options exercised
CML EIS - Scheme I	-	-
CML EIS - Scheme II	-	-
CML EIS - Scheme II	-	-

i. The details of EIS Schemes are summarised below:

Particulars	For the year ended March 31, 2021					
	CML EIS - Scheme I		CML EIS - Scheme II		CML EIS - Scheme III	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
Outstanding options at the beginning of the year	16,00,000	10.00	5,75,000	10.00	7,50,000	-
Granted during the year	3,00,000	10.00	-	10.00	-	10.00
Forfeited during the year	(19,00,000)	-	(5,75,000)	-	(7,50,000)	-
Exercised during the year	-	-	-	-	-	-
Number of shares arising as a result of exercise of options	-	-	-	-	-	-



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 43: Employee Stock Option Plan (Contd..)

Particulars	For the year ended March 31, 2021					
	CML EIS - Scheme I		CML EIS - Scheme II		CML EIS - Scheme III	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
Outstanding options at the end of the year	-	-	-	-	-	-
Exercisable at the end of the year	-	-	-	-	-	-
Weighted average fair value of the options exercisable	-	-	-	-	-	-

- ii. Weighted average exercise price of option during the year ended 31st March, 2022: ₹ 10.00 (31st March, 2021: 10)
- iii. The detail of exercise price for stock option at the end of the financial year 2020-21 is:

Series	Range of exercise price	No. of options outstanding for exercise	Weighted average remaining contractual life of options (in Years)	Weighted average exercise price
CML - EIS: Series I	₹10.00 per option	-	-	-
CML - EIS: Series II	₹10.00 per option	-	-	-
CML - EIS: Series III	₹10.00 per option	-	-	-

- iv. The fair value of the options granted is determined on the date of the grant using the “Black-Scholes option pricing model” with the following assumptions, as certified by an independent valuer:

Particulars	Grant Date	Share Price as on grant date (₹ per share)	Exercise Price (₹ per share)	Expected volatility annualised volatility %	Expected life in years	Risk-free interest rate (based on Government Bonds)	Fair value as on grant date (₹ per share)
<b>CML - EIS: Series I</b>							
Vesting date 08 November, 2023	08-11-2019	10	10	17.23%	8	6.82%	4.44
Vesting date 08 November, 2022	08-11-2019	10	10	18.41%	7	6.84%	4.13
Vesting date 30 June, 2023	26-11-2020	10	10	21.55%	7	5.76%	3.81
<b>CML - EIS: Series II</b>							
Vesting date 08 November, 2024	08-11-2019	10	10	20.67%	9	6.75%	4.94
Vesting date 30 June, 2023	26-11-2020	10	10	21.55%	7	5.76%	3.81
<b>CML - EIS: Series III</b>							
Vesting date 20 November, 2021	20-11-2020	10	10	14.95%	4	4.76%	2.16
Vesting date 20 November, 2022	20-11-2020	10	10	13.87%	5	5.06%	2.55
Vesting date 20 November, 2023	20-11-2020	10	10	14.33%	6	5.70%	3.15
Vesting date 20 November, 2024	20-11-2020	10	10	19.81%	7	5.80%	3.86
Vesting date 20 November, 2025	20-11-2020	10	10	19.76%	8	5.94%	4.26
Vesting date 22 February, 2022	22-02-2021	10	10	7.75%	4	5.64%	2.06
Vesting date 22 February, 2023	22-02-2021	10	10	11.23%	5	5.77%	2.64
Vesting date 22 February, 2024	22-02-2021	10	10	20.32%	6	6.17%	3.63
Vesting date 22 February, 2025	22-02-2021	10	10	28.05%	7	6.31%	4.54
Vesting date 22 February, 2026	22-02-2021	10	10	28.35%	8	6.46%	4.96

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 43: Employee Stock Option Plan (Contd..)

Particulars	Grant Date	Share Price as on grant date (₹ per share)	Exercise Price (₹ per share)	Expected volatility annualised volatility %	Expected life in years	Risk-free interest rate (based on Government Bonds)	Fair value as on grant date (₹ per share)
Vesting date 03 May, 2022	03-05-2021	10	10	22.40%	4	5.37%	2.47
Vesting date 03 May, 2023	03-05-2021	10	10	21.63%	5	5.57%	2.88
Vesting date 03 May, 2024	03-05-2021	10	10	22.85%	6	6.05%	3.5
Vesting date 03 May, 2025	03-05-2021	10	10	22.66%	7	6.18%	3.91
Vesting date 03 May, 2026	03-05-2021	10	10	21.71%	8	6.33%	4.26

The Index value of CNX NIFTY for Finance sector as available on the stock exchange had been used to draw the volatility for the purpose of fair value calculation.

### 43.2 Share-Based Payment expenses

Other Information regarding employee share based payment plan is as below:

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Carrying amount at the start of the period of Share Option Outstanding Account	1,337.78	1,016.77
Expense arising from employee share based payment plans	172.65	397.96
Amount transferred to general reserve on account of ESOP Exercised during the year	(503.96)	(76.95)
<b>Total carrying amount at the end of the period of Share Option Outstanding Account</b>	<b>1,006.47</b>	<b>1,337.78</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

## Note 44: RELATED PARTY

### 44.1. Related Party Disclosure

<b>Relationship</b>	<b>Name of the party</b>
<b>A. Related parties with whom the Company has entered into transactions during the year:</b>	
(i) Enterprise where Key Management Personnel / Individual has Control / Significant Influence	Businessmatch Services (India) Private Limited Sonchajyo Investments & Finance Private Limited JBCG Advisory Services Private Limited BG Advisory Services LLP Casby Global Air Private Limited Vishwaroop Residency Private Limited Thrill Park Limited Nanikrami Agro Private Limited Club 7 Holidays Limited
(ii) Individual having significant influence	Mr. Chandir Gidwani, Chairman Emeritus (Non- Executive Director)
<b>B. List of Related Parties</b>	
(i) Joint Ventures	Centrum REMA LLP (Subsidiary of Centrum Alternatives LLP) (upto February 18, 2021)
(ii) Associates	Acorn Fund Consultants Private Limited
(iii) Key Management Personnel	Mr. Jaspal Singh Bindra, Executive Chairman Mr. Sriram Venkatasubramanian, Chief Financial Officer Mr. Alpesh Shah, Company Secretary (upto October 12, 2021) Mr. Parthasarthy Iyengar, Company Secretary (from May 10, 2022)
(iv) Directors	Mr. Rajasekhara Reddy, Independent Director Mr. Subhash Kutte, Independent Director Mr. Manmohan Shetty, Independent Director Mr. Narayan Vasudeo Prabhutendulkar, Independent Director Ms. Anjali Seth, Independent Director Mrs. Mahakhurshid Byramjee, Independent Director Mr. Rishad Byramjee, Independent Director Mr. Ramchandra Kasargod Kamath, Independent Director Mr. Rajesh Nanavaty, Independent Director (upto 3rd August 2021) Mr. Subrata Kumar Mitra, Independent Director Mr. T M Bhasin, Independent Director (upto October 09, 2020) Mr. Rajesh Kumar Srivastava, Independent Director Mr. Sankaranarayanan Radhamangalam Anantharaman, Independent Director
(v) Relatives of Key Management Personnel	Mr. Amritpal Singh Bindra ( Son of Executive Chairman)

### 44.2. Related Party Transactions : (Refer Annexure 'A')

**44.3** The Company had contracted to buy 23,69,207 equity shares of Centrum Retail Services Limited (a subsidiary of the Company) for ₹ 8,004 lakhs from non-controlling interest shareholders post receipt of approval from the shareholders in July 2019. Pursuant to this, during the year company has purchased balance 18,29,446 equity shares of Centrum Retail Services Limited for a consideration of ₹ 6,180.50 lakhs. During the previous year, Company has purchased 1,85,002 equity shares of Centrum Retail Services Limited for a consideration of ₹ 625 lakhs settled through transfer of 50,00,000 compulsory convertible debentures of Centrum Microcredit Limited (a subsidiary).

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 44: RELATED PARTY (Contd..)

Note 44.2 : Annexure 'A' - Related Party Transactions for the year ended March 31, 2022 (Contd..)

(₹ in Lakhs)

Nature of transaction	Joint Venture			Enterprise where Key Management Personnel / Individual has Control / Significant Influence			Key Management Personnel			Directors			Individual having significant influence			Relative of Key Management Personnel / Individual having significant influence			Associates / Entities where company has significant influence			Total		
	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	
<b>Inter-Corporate Deposits Given</b>																								
Centrum REMA LLP		2,708.10																						2,708.10
Club 7 Holidays Limited					200.00																			200.00
JBCG Advisory Services Private Limited					2,800.00																			2,800.00
Acorn Fund Consultants Private Limited																								873.00
<b>Total</b>		<b>2,708.10</b>			<b>3,000.00</b>																			<b>873.00</b>
<b>Inter-corporate deposits received back</b>																								
Acorn Fund Consultants Private Limited																								47.00
<b>Total</b>																								<b>47.00</b>
<b>Sale of Centrum Microcredit Limited (CML) Compulsory Convertible Debenture (CCD)</b>																								
Amritpal Singh Bindra																								500.00
<b>Total</b>																								<b>500.00</b>
<b>Purchase of Centrum Retail Services Limited (CRSL) Equity share</b>																								
Amritpal Singh Bindra																								6,180.50
<b>Total</b>																								<b>6,180.50</b>
<b>Compulsory Convertible Debentures (CCD) of Centrum Microcredit Limited (CML) purchased</b>																								
Amritpal Singh Bindra																								2,050.00
BG Advisory Services LLP																								347.40
<b>Total</b>																								<b>2,397.40</b>
<b>Syndication Income Received</b>																								
Thrill Park Limited																								3.00
<b>Total</b>																								<b>3.00</b>
<b>Brokerage, Commission and Other Income</b>																								
BG Advisory Services LLP																								5.50
JBCG Advisory Services Private Limited																								36.83
<b>Total</b>																								<b>42.33</b>
<b>Business Support Service Income</b>																								
Acorn Fund Consultants Private Limited																								35.00
Centrum REMA LLP																								35.00
<b>Total</b>																								<b>70.00</b>

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

## Note 44: RELATED PARTY (Contd..)

### Note 44.2 : Annexure 'A' - Related Party Transactions for the year ended March 31, 2022 (Contd..)

(₹ in Lakhs)

Nature of transaction	Joint Venture			Enterprise where Key Management Personnel / Individual has Control / Significant Influence			Key Management Personnel			Directors			Individual having significant influence			Relative of Key Management Personnel / Individual having significant influence			Associates / Entities where company has significant influence			Total		
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2021-22	FY 2020-21	FY 2021-22	FY 2021-22	FY 2020-21	FY 2021-22	FY 2021-22	FY 2020-21	FY 2021-22	FY 2021-22	FY 2020-21	FY 2021-22	FY 2021-22	FY 2020-21	FY 2021-22	FY 2021-22	FY 2020-21	FY 2021-22	FY 2021-22	FY 2020-21	
	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	
<b>Professional Fees Income</b>																								
Acorn Fund Consultants Private Limited																								
JBCG Advisory Services Private Limited			1.56		17.33																	1.56		17.33
Centrum REMA LLP		1.78																						1.78
<b>Total</b>		<b>1.78</b>	<b>1.56</b>	<b>17.33</b>																	<b>1.18</b>	<b>1.56</b>		<b>20.29</b>
<b>Shared Resources Income</b>																								
Acorn Fund Consultants Private Limited																								
Centrum REMA LLP		43.25																						43.25
<b>Total</b>		<b>43.25</b>																						<b>43.25</b>
<b>Interest Income</b>																								
Centrum REMA LLP		166.78																						166.78
Acorn Fund Consultants Private Limited																								
JBCG Advisory Services Private Limited				17.35																				17.35
Club 7 Holidays Limited			29.48		22.41																			29.48
<b>Total</b>		<b>166.78</b>	<b>29.48</b>	<b>39.76</b>																				<b>280.26</b>
<b>Interest Expenses</b>																								
BG Advisory Services LLP				45.00																				45.00
Mr. Amritpal Singh Bindra																								168.49
<b>Total</b>				<b>45.00</b>																				<b>168.49</b>
<b>Business Support Service Expenses</b>																								
Nanikrami Agro Private Limited			48.00		48.00																			48.00
<b>Total</b>			<b>48.00</b>	<b>48.00</b>																				<b>48.00</b>
<b>Rent Expenses</b>																								
Businessmatch Services (India) Private Limited			14.47		13.78																			14.47
Vishwaroop Residency Private Limited			196.09		186.75																			196.09
Mr. Sriram Venkatasubramanian																								5.17
Mrs. Roopa Sriram																								0.57
<b>Total</b>			<b>210.56</b>	<b>200.53</b>																				<b>210.56</b>
<b>Security Deposits Received Back</b>																								
Mrs. Roopa Sriram																								5.00
<b>Total</b>																								<b>5.00</b>
<b>Other Expenses</b>																								
Club 7 Holidays Limited				122.03	108.70																			122.03
Centrum REMA LLP		2.92																						2.92
Acorn Fund Consultants Private Limited																								0.12
<b>Total</b>		<b>2.92</b>	<b>122.03</b>	<b>108.70</b>																				<b>122.03</b>
<b>Total</b>																								<b>111.73</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 44: RELATED PARTY (Contd..)

#### Note 44.2: Annexure 'A' - Related Party Transactions for the year ended March 31, 2022 (Contd..)

(₹ in Lakhs)

Nature of transaction	Joint Venture			Enterprise where Key Management Personnel / Individual has Control / Significant Influence			Key Management Personnel			Directors			Individual having significant influence			Relative of Key Management Personnel / Individual having significant influence			Associates / Entities where company has significant influence			Total			
	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD	FY 2021-22 YTD	FY 2021-22 YTD	FY 2020-21 YTD		
<b>Directors sitting fees</b>																									
Mr. Chandir Gidwani																									
Mr. R. S Reddy																									
Mr. Subhash Kutte																									
Mr. Manmohan Shetty																									
Mr. N V P Tendulkar																									
Ms. Anjali Seth																									
Mr. S K Mitra																									
Mr. T M Bhasin																									
Mr. Rajesh Srivastava																									
Mr. Rajesh Nanavaty																									
Mr. Rishad Byramjee																									
Mr. K. R. Kamath																									
Mrs. Mahakurhid Byramjee																									
Mr. R.A. Santharayanan																									
<b>Total</b>																									
<b>Professional Fees Expenses</b>																									
Sonchajyo Investment and Finance Private Limited																									
Centrum REMA LLP																									
Mr. K.R. Kamath																									
<b>Total</b>																									
<b>Corporate Guarantee (Given) / Taken</b>																									
JBCG Advisory Services Private Limited																									
BG Advisory Services LLP																									
<b>Total</b>																									
<b>Compensation to Key Management Personnel</b>																									
Mr. Jaspal Singh Bindra (Executive Chairman)																									
Mr. Alpesh Shah (Company Secretary)																									
Mr. Sriram Venkatasubramanian (Chief Financial Officer)																									
<b>Total</b>																									
<b>Amount Receivable as at March 31, 2022</b>																									

# Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

## Note 44: RELATED PARTY (Contd..)

### Note 44.2 : Annexure 'A' - Related Party Transactions for the year ended March 31, 2022 (Contd..)

(₹ in Lakhs)

Nature of transaction	Joint Venture			Enterprise where Key Management Personnel / Individual has Control / Significant Influence			Key Management Personnel			Directors			Individual having significant influence			Relative of Key Management Personnel / Individual having significant influence			Associates / Entities where company has significant influence			Total				
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2021-22	FY 2020-21	FY 2021-22	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22		
	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD		
Trade Receivables																										
JBCG Advisory Services Private Limited			1.81	4.01																			1.81	4.01		
BG Advisory Services LLP				12.31																						12.31
Acorn Fund Consultants Private Limited																										0.03
Knowledge Foods Private Limited																										0.07
<b>Total</b>			<b>1.81</b>	<b>16.32</b>																			<b>1.84</b>	<b>0.07</b>		<b>16.39</b>
<b>Interest Receivable</b>																										
Acorn Fund Consultants Private Limited																										4.83
Club 7 Holidays Limited				3.07																						3.07
<b>Total</b>				<b>3.07</b>																						<b>4.83</b>
<b>Security Deposits Receivable</b>																										
Businessmatch Services (India) Private Limited			30.00	30.00																						30.00
Vishwaroop Residency Private Limited			50.00	50.00																						50.00
Chandir Gidwani																										30.00
<b>Total</b>			<b>80.00</b>	<b>80.00</b>																						<b>110.00</b>
<b>Loan/Advances receivable</b>																										
Centrum REMA LLP		1,604.00																								1,604.00
Club 7 Holidays Limited			225.00	200.00																						200.00
Acorn Fund Consultants Private Limited																										669.87
<b>Total</b>		<b>1,604.00</b>	<b>225.00</b>	<b>200.00</b>																						<b>2,473.87</b>
<b>Amount payable as at March 31, 2022</b>																										
Expenses Payable																										
Club 7 Holidays Limited				0.30																						0.30
<b>Total</b>				<b>0.30</b>																						<b>0.30</b>
<b>Loan/advances payable</b>																										
Casby Global Air Private Limited			25.00	25.00																						25.00
<b>Total</b>			<b>25.00</b>	<b>25.00</b>																						<b>25.00</b>
<b>Outstanding Payable</b>																										
Amritpal Singh Bindra																										6,730.50
<b>Total</b>				<b>6,730.50</b>																						<b>6,730.50</b>
<b>Compulsory Convertible Debentures</b>																										
BG Advisory Services LLP				300.00																						300.00
Amritpal Singh Bindra																										1,500.00
<b>Total</b>				<b>300.00</b>																						<b>1,800.00</b>
<b>Debt Payable</b>																										
Mahakurshid Khushrooh Byramjee																										480.00
<b>Total</b>																										<b>480.00</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 45: SEGMENT INFORMATION

The Group has made its consolidated segment reporting to meaningfully represent its business lines. Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment. Group's operations are mainly conducted in India. The Group has a subsidiary in Hong Kong & Singapore each and the commercial risks and returns involved on the basis of geographic segmentation are relatively insignificant. Thus, secondary segment disclosures based on geographic segments have not been made.

The Group's business is organized and management reviews the performance based on the primary business segments as mentioned below:

1. Banking Business
2. Institutional Business consists mainly of Investment Banking, Trading in Bonds, Institutional Broking Activity & Investment Advisory Services thereby earning transaction based fees.
3. Wealth Management & Distribution comprises of Portfolio Management and Wealth Management and Retail Broking Activity.
4. Housing Finance Business
5. SME / Micro Credit Lending Business

Segment wise details are given below

		(₹ in Lakhs)	
Sr. No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>1</b>	<b>Segment revenue [Total income]</b>		
	Banking Business	14,454.02	-
	Institutional Business	8,204.60	6,618.50
	Wealth Management & Distribution	23,194.63	12,048.68
	Housing Finance	7,099.62	6,801.60
	SME/ Micro credit Lending	13,200.15	23,963.95
	Unallocated	13,929.31	9,972.45
	Less : Elimination	(11,696.52)	(9,383.27)
	<b>Total Income</b>	<b>68,385.81</b>	<b>50,021.91</b>
<b>2</b>	<b>Segment Results [Profit/ (Loss) before tax]</b>		
	Banking Business	(7,944.89)	-
	Institutional Business	(566.09)	(575.72)
	Wealth Management & Distribution	5,058.62	147.57
	Housing Finance	1,700.68	1,526.30
	SME/ Micro credit lending	(522.93)	347.44
	Unallocated	(5,311.43)	6,404.33
	Less : Elimination	(2,433.66)	(2,992.31)
	Profit / (Loss) before tax	(10,019.69)	4,857.61
	Less :		
	a) Interest (Income)/expense (net)	9,555.77	7,469.63
	b) Unallocated (Income)/expenditure (net)	(1,143.60)	587.81
	Total Profit before exceptional item and tax	(18,431.87)	(3,199.83)
	Exceptional Items	-	-
	<b>Total Profit / ( Loss ) before tax</b>	<b>(18,431.87)</b>	<b>(3,199.83)</b>



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 45: Segment Information (Contd..)

(₹ in Lakhs)

Sr. No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>3</b>	<b>Segment Assets</b>		
	Banking Business	9,91,627.82	-
	Institutional Business	3,367.10	4,572.40
	Wealth Management & Distribution	16,596.48	16,813.80
	Housing Finance	69,596.49	67,060.23
	SME/ Micro credit lending	-	1,65,772.76
	Unallocated	3,31,994.90	1,87,656.80
	Less : Elimination	(1,63,671.93)	(1,25,876.93)
	<b>Total Assets</b>	<b>12,49,510.86</b>	<b>3,15,999.07</b>
<b>4</b>	<b>Segment Liabilities</b>		
	Banking Business	8,99,057.38	-
	Institutional Business	789.56	1,015.12
	Wealth Management & Distribution	15,086.73	19,154.25
	Housing Finance	27,933.67	26,993.49
	SME/ Micro credit lending	-	1,27,609.92
	Unallocated	1,28,253.08	91,382.54
	Less : Elimination	(20,554.56)	(27,781.02)
	<b>Total Liabilities</b>	<b>10,50,565.86</b>	<b>2,38,374.30</b>
<b>5</b>	<b>Capital Employed [Segment assets - Segment liabilities]</b>		
	Banking Business	92,570.44	-
	Institutional Business	2,577.53	3,557.28
	Wealth Management & Distribution	1,509.75	(2,340.45)
	Housing Finance	41,662.81	40,066.74
	SME/ Micro credit lending	-	38,162.85
	Unallocated	2,03,741.84	96,274.26
	Less : Elimination	(1,43,117.37)	(98,095.91)
	<b>Total Capital Employed</b>	<b>1,98,945.00</b>	<b>77,624.77</b>

Items that relate to the company as a whole or at the corporate level not attributable to particular segment are captured in 'Unallocated'

Segment data for previous financial period has been reclassified to conform to current financial period's presentation.

### Note 46: RETIREMENT BENEFIT PLANS

#### 46.1 Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Group in a fund under the control of trustees. The Company makes Provident Fund and Employee State Insurance Scheme (ESIC) contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes:

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 46: Retirement Benefit Plans (Contd..)

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Provident fund	1,047.24	1,041.18
ESIC	1.28	0.03
Pension fund	26.12	26.90

#### 46.2 Defined benefit plans

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

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

##### Net assets/(liability) recognised in the Balance Sheet

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	(5,382.95)	(1,164.79)
Fair value of plan assets	3,920.68	712.16
<b>Defined Benefit obligation asset/(liability)</b>	<b>(1,462.26)</b>	<b>(452.63)</b>

##### Net benefit expense recognised in statement of profit and loss

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Current service cost	205.75	188.07
Past service cost	-	-
Net Interest on net defined benefit liability/ (asset)	50.58	29.26
Remeasurements of Other long term benefits	-	-
<b>Net benefit expense</b>	<b>256.33</b>	<b>217.33</b>

##### Remeasurement gain/ (loss) in other comprehensive income (OCI)

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Re-measurements on defined benefit obligation		
Actuarial gain/(loss) arising from changes in demographic assumptions	151.31	(18.61)
Actuarial gain/(loss) arising from changes in financial assumptions	357.14	10.42
Actuarial gain/(loss) arising from experience over the past years	42.92	56.51
<b>Re-measurements on plan assets</b>		
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	61.44	14.59
<b>Actuarial gain/(loss) (through OCI)</b>	<b>612.82</b>	<b>62.91</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 46: Retirement Benefit Plans (Contd..)

Details of changes in present value of defined benefit obligations as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation at the beginning of the year	1,164.79	915.34
Current service cost	205.75	188.07
Past Service Cost		-
Interest cost on benefit obligations	165.46	69.42
Re-measurements:		
a. Actuarial loss/(gain) arising from changes in demographic assumptions	151.42	(18.61)
b. Actuarial loss/ (gain) arising from changes in financial assumptions	373.62	10.98
c. Actuarial loss/ (gain) arising from experience over the past years	19.59	55.95
Return on plan assets excluding amounts included in interest expense/income	(1.64)	
Benefits paid	(112.76)	(56.36)
Net transfer in / (out) (Including the effect of any business combinations/ divestures)	3,417.31	-
<b>Present value of defined benefit obligation at the end of the year</b>	<b>5,383.54</b>	<b>1,164.79</b>

Details of changes in fair value of plan assets are as follows: -

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	712.16	717.48
Interest income on plan assets	132.13	55.35
Employer contributions	70.49	12.32
Benefits paid	(84.49)	(56.36)
Re-measurements:		
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(64.78)	(16.63)
Less/Add: Balance transferred through slump sale	3,156.28	-
<b>Fair value of plan assets as at the end of the year</b>	<b>3,921.79</b>	<b>712.16</b>

#### 46.3 Defined benefit plans assets

(₹ in Lakhs)

Category of assets (% allocation)	As at March 31, 2022	As at March 31, 2021
- Government securities	-	-
- Insurance fund	3,819.31	594.96
- Debentures / bonds	102.48	117.20
- Equity shares	-	-
<b>Total</b>	<b>3,921.79</b>	<b>712.16</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 46: Retirement Benefit Plans (Contd..)

#### 46.4 The principal assumptions used in determining gratuity obligations for the Company's plans are shown below :

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Expected Return on Plan assets	6.70%	6.49%
Rate of discounting	6.70%	6.49%
Rate of salary increase	8.00%	0.00% p.a. for the next 1 years, 6.26% p.a. for the next 1 years, starting from the 2nd year & 5.00% p.a. thereafter, starting from the 3rd year
Rate of Employee Turnover	10.00%	10.00%
Mortality Rate During Employment	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

#### 46.5 Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as follows

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
One percentage point increase in discount rate	(163.48)	(54.56)
One percentage point decrease in discount rate	200.22	61.09
One percentage point increase in Salary growth rate	167.29	48.45
One percentage point decrease in Salary growth rate	(140.42)	(39.11)
One percentage point increase in Employee Turnover rate	(8.13)	2.95
One percentage point decrease in Employee Turnover rate	5.54	(4.63)

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

#### 46.6 Maturity profile of defined benefit obligation are as follows

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
1st Following Year	1,136.50	150.57
2nd Following Year	883.33	109.61
3rd Following Year	712.39	127.20
4th Following Year	631.28	117.65
5th Following Year	522.54	135.89
Sum of Years 6 to 10	1,364.06	479.62
Sum of Years 11 and above	847.17	666.75

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 47: CONTINGENT LIABILITIES AND COMMITMENTS

#### 47.1 Contingent Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Corporate Guarantees given by the Group	1,474.93	5,500.00
Claims against Group not acknowledge as debt	638.51	376.00
Bills for collections	22,390.99	-
Income tax demands disputed in appeal*	86.90	412.00
Intercorporate borrowings written back	164.34	164.34
Others	2,643.93	-

#### 47.2 Commitments not provided for

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Credit enhancement provided in respect to securitisation transaction	-	-
Commitments related to loans sanctioned but undrawn	2,957.37	2756.00
Estimated amount of contracts remaining to be executed on capital account (net of advance)	-	0.92

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

### Note 48 : CAPITAL MANAGEMENT

The Group manages the capital structure by a balanced mix of debt and equity. The Group's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The Group maintains sound capitalisation both from an economic and regulatory perspective. The Group continuously monitors and adjusts overall capital demand and supply in an effort to achieve an appropriate balance of the economic and regulatory considerations at all times and from all perspectives. These perspectives include specific capital requirements from rating agencies.

Capital structure includes infusion in the form of equity and structured debt from strategic business partners in certain of Group's subsidiaries to fund expansion and assist in achieving expected growth in the competitive market. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2021 and 31 March 2020.

This framework is adjusted based on underlying the macro-economic factors affecting business environment, financial market conditions and interest rates environment. Group monitors capital using debt-equity ratio, which is total debt divided by total equity.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Debt	2,27,571.81	1,94,333.35
Equity	1,98,945.00	77,624.77
<b>Net Debt to Equity</b>	<b>1.14</b>	<b>2.50</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 49. GOODWILL

#### 49.1 Goodwill on consolidation

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	4,779.42	4,779.42
Goodwill arising on acquisitions	-	-
Goodwill derecognised on loss of control	-	-
<b>Balance at the end of the year</b>	<b>4,779.42</b>	<b>4,779.42</b>

#### 49.2 Goodwill

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year*	3,943.37	3,943.37
Goodwill arising on acquisitions**	3,539.50	-
Goodwill impaired	(7,482.87)	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>3,943.37</b>

#### b. Goodwill impairment assessment:

The Centrum Microcredit Limited (CML) and Centrum Financial Services Limited (CFSL) tests whether goodwill has suffered any impairment on an annual basis and when the circumstances indicate that the carrying value may be impaired. The recoverable amount of the cash generating unit (CGU) was determined based on the higher of the CGU's (Cash generating unit's) fair value less costs of disposal and its value-in-use, the calculations of which require the use of assumptions. The calculations of the value in use consider the cash flow projections based on financial budgets approved by the management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rate. Fair value is determined by applying book value multiple.

#### c. Key assumptions in calculating value in use:

CML -The company is primarily engaged in the business of financing and there are no separate reportable segments identified. Hence the entire business is considered as the cash generating unit for the purpose of allocating goodwill.

CFSL -The company is primarily engaged in the business of financing and there are no separate reportable segments identified. However, CFSL has different types of portfolio and the portfolio of Supply chain Finance Business is considered as the cash generating unit for the purpose of allocating goodwill. This represents the goodwill recognised on the acquisition of Supply Chain Finance Business. The Company believes that the carrying amount of the goodwill is recoverable based on experts' valuation report.

#### d. Note :

\* Of this ₹ 2,501.35 Lakhs of goodwill in books of CML, represents the goodwill recognised on acquisition of the microfinance businesses of First Rand Bank and Altura Financial Services Limited. The Company believes that the carrying amount of the goodwill is recoverable.

\* Of this ₹ 1,442.02 Lakhs of goodwill in books of CFSL, represents the goodwill recognised on the acquisition of Supply Chain Finance Business. The Company believes that the carrying amount of the goodwill is recoverable based on expert's valuation report.

\*\* Of this ₹ 3,539.50 Lakhs of goodwill in books of CFSL, represents the goodwill recognised on the acquisition of business from Gundlupet Finance and Investments Private Limited. The Company believes that the carrying amount of the goodwill is recoverable based on expert's valuation report.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 50: TRANSFER OF FINANCIAL ASSETS

#### 50(i) Centrum Financial Services Limited

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

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

##### Transferred financial assets that are derecognised in their entirety

The subsidiary Company has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent after maintaining the required MMR to the buyer, the assets have been de-recognised from the subsidiary Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets :

	(₹ in Lakhs)	
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Assignment</b>		
Carrying amount of de-recognised financial asset	-	1,148.20
Carrying amount of retained assets at amortised cost	-	326.41
<b>Total</b>	<b>-</b>	<b>1474.61</b>

#### 50(ii) Centrum Microcredit Limited :

Transferred financial assets that are not derecognised in their entirety

##### A) Securitisation

The Company has securitised certain loans, however the Company has not transferred substantially all risks and rewards, hence these assets have not been de-recognised in their entirety.

The following tables provide a summary of the financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

	(₹ in Lakhs)	
<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
<b>Securitisation</b>		
Carrying amount of transferred assets measured at amortised cost#	-	2,681.39
Carrying amount of associated liabilities (other than debt securities - measured at amortised cost)	-	2,550.79
Fair value of assets#	-	2,681.39
Fair value of associated liabilities	-	2,550.79
<b>Net Position at FV</b>	<b>-</b>	<b>-</b>

Note # The amounts reported above are excluding notional Ind AS adjustments.

##### B) Direct assignment

The Company has sold some loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 50: TRANSFER OF FINANCIAL ASSETS (Contd..)

The table below summarises the amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Assignment		
Amount of de-recognised financial asset*	2000.56	5076.50
Carrying amount of retained assets at amortised cost**	-	509.11

The amounts reported above are excluding notional Ind AS adjustments.

\*Amount represents assets de-recognised during the year

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Assignment		
Gain on sale of de-recognised financial assets	122.38	319.71

\*\* The amount held as retention is 10% of the total value of assigned loans.

### Note 51 : MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	4,39,877.04	-	4,39,877.04	20,909.16	-	20,909.16
Bank balance other than cash and cash equivalents above	20,793.48	2,358.36	23,151.84	26,317.78	-	26,317.78
Derivative financial instruments	1,038.07	364.67	1,402.74	4,061.35	348.70	4,410.05
Receivables	3,459.89	-	3,459.89	3,456.92	-	3,456.92
Loans	2,99,879.74	57,375.10	3,57,254.84	1,29,469.25	88,920.73	2,18,389.98
Investments	1,04,740.48	1,81,996.60	2,86,737.08	3,578.03	4,205.05	7,783.09
Other financial assets	4,181.16	770.79	4,951.95	5,914.92	489.48	6,404.40
<b>Non-financial assets</b>						
Current tax assets (net)	-	3,428.58	3,428.58	-	4,559.44	4,559.44
Deferred tax assets (net)	-	78,565.99	78,565.99	-	5,146.68	5,146.68
Property, plant and equipment	-	31,606.15	31,606.15	-	5,810.95	5,810.95
Capital work-in-progress	-	21.43	21.43	7.94	-	7.94
Right-of-Use assets	-	3,019.14	3,019.13	99.27	1,532.27	1,631.54
Goodwill on consolidation	-	4,779.42	4,779.42	-	4,779.42	4,779.42
Goodwill	-	-	-	-	3,943.37	3,943.37
Other intangible assets	-	1,127.28	1,127.28	-	781.55	781.55
Assets held for sale	318.50	-	318.50	-	-	-
Other non-financial assets	9,479.50	329.49	9,808.99	1,341.36	325.44	1,666.80
<b>Total assets</b>	<b>8,83,767.86</b>	<b>3,65,742.99</b>	<b>12,49,510.86</b>	<b>1,95,155.99</b>	<b>1,20,843.10</b>	<b>3,15,999.07</b>



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 51 : Maturity analysis of assets and liabilities (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Derivative financial instruments	9,961.59	23,193.61	33,155.20	5,665.34	11,512.80	17,178.14
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	5.41	-	5.41
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	11,298.36	-	11,298.36	8,158.14	-	8,158.14
Other Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6,740.50	-	6,740.50	4.00	-	4.00
Debt securities	76,111.98	66,218.75	1,42,330.73	47,421.42	83,045.19	1,30,466.62
Borrowings (other than debt securities)	38,248.95	46,992.13	85,241.08	37,691.53	25,175.21	62,866.73
Deposits	39,494.95	3,44,296.00	3,83,790.95	-	-	-
Subordinated liabilities	-	-	-	-	1,000.00	1,000.00
Other financial liabilities	3,49,146.19	6,969.45	3,56,115.64	14,307.35	1,406.70	15,714.05
<b>Non-financial Liabilities</b>						
Provisions	29,222.55	6.10	29,228.65	490.78	369.26	860.04
Other non-financial liabilities	1,969.87	694.88	2,664.75	2,121.17	-	2,121.17
<b>Total liabilities</b>	<b>5,62,194.94</b>	<b>4,88,370.92</b>	<b>10,50,565.86</b>	<b>1,15,865.14</b>	<b>1,22,509.16</b>	<b>2,38,374.30</b>
<b>Net</b>	<b>3,21,572.92</b>	<b>(1,22,627.93)</b>	<b>1,98,945.00</b>	<b>79,290.85</b>	<b>(1,666.06)</b>	<b>77,624.77</b>

### Note 52 : CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in Lakhs)

Particulars	As at	Cash flows	Other	As at
	March 31, 2021			March 31, 2022
Debt securities including accrued interest thereon	1,39,257.26	11,864.11	31.13	1,51,152.51
Borrowings other than debt securities including accrued interest thereon	65,167.20	19,532.76	(105.91)	84,594.05
Deposits	-	3,83,790.95		3,83,790.95
Subordinated liabilities including accrued interest thereon	1,001.19	-	(4.20)	996.99
<b>Total liabilities from financing activities</b>	<b>2,05,425.65</b>	<b>4,15,187.82</b>	<b>(78.97)</b>	<b>6,20,534.50</b>

Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 53 : LEASES

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Following are the changes in the carrying value of Right-of-Use assets

(₹ in Lakhs)

Particulars	Category of Right-of-Use asset		Total
	Vehicle	Office premises	
<b>Gross carrying amount</b>			
As at April 1, 2020	40.32	5,271.85	5,312.17
Additions		1,015.83	1,015.83
Disposals and transfers	(9.07)	(2,172.19)	(2,181.26)
<b>Closing gross carrying amount</b>	<b>31.25</b>	<b>4,115.49</b>	<b>4,146.74</b>
<b>Accumulated depreciation</b>			
As at April 1, 2020	22.74	2,510.22	2,532.96
Depreciation charge during the year	12.66	1,164.04	1,176.70
Disposals and transfers	(7.88)	(1,186.58)	(1,194.46)
<b>Closing accumulated depreciation</b>	<b>27.52</b>	<b>2,487.68</b>	<b>2,515.20</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>3.73</b>	<b>1,627.81</b>	<b>1,631.54</b>
<b>Gross carrying amount</b>			
As at April 1, 2021	31.25	4,115.49	4,146.74
Additions	-	2,578.96	2,578.96
Disposals and transfers	(0.95)	(79.92)	(80.87)
<b>Closing gross carrying amount</b>	<b>30.30</b>	<b>6,614.53</b>	<b>6,644.83</b>
<b>Accumulated depreciation</b>			
As at April 1, 2021	27.52	2,487.68	2,515.20
Depreciation charge during the year	3.07	1,123.31	1,126.38
Disposals and transfers	(0.29)	(15.60)	(15.89)
<b>Closing accumulated depreciation</b>	<b>30.30</b>	<b>3,595.39</b>	<b>3,625.69</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>0.00</b>	<b>3,019.14</b>	<b>3,019.14</b>

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

The following is the movement in lease liabilities:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Balance as at beginning</b>	1,844.61	2,885.32
Additions	2,558.73	991.97
Finance cost accrued during the period	174.92	250.69
Deletions	(108.19)	(1,068.11)
Rent paid in advance	-	10.09
Payment of lease liabilities	(869.97)	(1,225.35)
<b>Balance as at end</b>	<b>3,600.10</b>	<b>1,844.61</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 53 : Leases (Contd..)

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

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
upto 3 months	775.28	255.91
3 to 6 months	299.00	251.50
6 to 12 months	598.18	567.07
1 year to 3 year	1,495.08	850.57
More than 3 years	1,004.56	2.40
<b>Total</b>	<b>4,172.10</b>	<b>1,927.45</b>

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹ 369.26 Lakhs and ₹ 402.31 Lakhs for the year ended March 31, 2022 and March 31, 2021 respectively. There are no rental expense recorded for low-value assets or for any of variable lease payments for any of the reporting year.

### Note 54 : DISCLOSURE WITH REGARD TO DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES

The details of amounts outstanding together with interest paid /payable to Micro and Small enterprises based on information available with the group is as under:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid to supplier as at the end of the year	-	5.41
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium enterprise Development Act, 2006	-	-

Based on the information available with the Group and has been relied upon by the auditors, none of the suppliers have confirmed to be registered under “ Micro, Small and Medium Enterprise Development (‘MSMED’) Act, 2006” except for mentioned above.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

**Note 55 :** As per amended Schedule III, the company has to report below details for any transactions entered with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act 1956

(₹ in Lakhs)

Name of Struck off Company	Nature of transactions	Balance outstanding as at March 31, 2022	Relationship with the Struck off company	Balance outstanding as on March 31, 2021	Relationship with the Struck off Company, if any, to be disclosed.
Romy Realty Private Ltd	Trade Receivable	0.07	Not applicable	-	Not applicable
Jai Dada Steel Private Ltd	Trade Receivable	0.04	Not applicable	-	Not applicable
S.D.B. Consultants Pvt Ltd	Trade Receivable	0.05	Not applicable	-	Not applicable
Bholebaba Suppliers Pvt Ltd	Trade Receivable	0.05	Not applicable	-	Not applicable
Omshaktidev real estate Pvt Ltd	Trade Receivable	0.01	Not applicable	-	Not applicable
Pravasi Enterprises Ltd	Trade Receivable	0.09	Not applicable	-	Not applicable
Shrinath Cotfab Private Ltd	Trade Receivable	0.9	Not applicable	0.9	Not applicable
<b>Total</b>		<b>1.21</b>		<b>0.9</b>	

## NOTE 56 : ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY OR ASSOCIATES

(₹ in Lakhs)

Name of the Enterprises	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
Centrum Capital Limited	25.27%	50,278.91	17.69%	(3,359.14)	(1.02%)	4.57	17.26%	(3,354.57)
<b>Subsidiaries</b>								
<b>Indian</b>								
Centrum Retail Services Limited	15.11%	30,069.84	57.82%	(10,981.97)	(8.28%)	37.03	56.30%	(10,944.94)
Unity Small Finance Bank Limited	88.37%	1,75,805.79	35.22%	(6,690.37)	77.24%	(345.36)	36.19%	(7,035.73)
Centrum Financial Services Limited	14.96%	29,758.78	0.46%	(87.06)	2.73%	(12.20)	0.51%	(99.26)
Ignis Capital Advisors Limited	0.00%	1.44	0.01%	(1.38)	(0.41%)	1.82	0.00%	0.44
Centrum Broking Limited	1.76%	3,509.76	1.18%	(224.48)	5.04%	(22.53)	1.27%	(247.01)
Centrum Microcredit Limited (formerly known as Centrum Microcredit Private Limited)	3.91%	7,772.51	0.17%	(32.36)	2.52%	(11.28)	0.22%	(43.64)
Centrum Housing Finance Limited	20.94%	41,662.81	(7.65%)	1,453.50	2.40%	(10.75)	(7.42%)	1,442.75
Centrum Alternatives LLP	0.04%	76.20	0.47%	(89.42)	0.00%	0.00	0.46%	(89.42)
Centrum Alternative Investment Managers Limited	(0.49%)	(981.94)	(0.34%)	65.38	(0.04%)	0.19	(0.34%)	65.57
Centrum Capital Advisors Limited	0.03%	60.35	0.29%	(55.37)	0.00%	0.00	0.28%	(55.37)
<b>Foreign</b>								
Centrum International Service PTE Limited	0.14%	272.63	1.44%	(273.46)	0.00%	0.00	1.41%	(273.46)
Centrum Capital International Limited (formerly known as Common Wealth Centrum Advisors Limited)	0.21%	407.92	0.46%	(86.66)	0.00%	0.00	0.45%	(86.66)

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 56 : Additional Information as required under Schedule III to the Companies Act 2013 of enterprises consolidated as Subsidiary or Associates (Contd..)

(₹ in Lakhs)

Name of the Enterprises	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Step Down Subsidiaries</b>								
<b>Indian</b>								
Centrum Financial Services Limited								
Centrum Insurance Brokers Limited	0.51%	1,024.48	(0.03%)	6.22	0.15%	(0.69)	-0.03%	5.53
Centrum Wealth Limited (formerly known Centrum Wealth Management Limited)	0.86%	1,708.06	(22.16%)	4,209.97	19.41%	(86.79)	(21.21%)	4,123.18
Centrum Investment Advisors Limited	0.32%	632.47	(0.13%)	25.06	0.19%	(0.85)	-0.12%	24.21
<b>Non-Controlling Interests</b>	(66.08%)	(1,31,454.97)	(6.95%)	1,319.70	(45.01%)	201.28	(7.82%)	1,520.99
<b>Adjustments arising out of consolidations</b>	(5.86%)	(11,660.04)	22.07%	(4,192.08)	45.08%	(201.57)	22.60%	(4,393.65)
<b>Total Net Assets/Net Profit/(Loss) of Group</b>	<b>100%</b>	<b>1,98,944.99</b>	<b>100%</b>	<b>(18,993.92)</b>	<b>100%</b>	<b>(447.13)</b>	<b>100%</b>	<b>(19,441.06)</b>

### Note 57 : COMPOSITION OF THE GROUP

The subsidiary companies, joint ventures and associates considered in the presentation of the Consolidated Financial Statements are:

(₹ in Lakhs)

Sr. No	Particulars	Country of Incorporation	Proportion of ownership / interest as at March 31, 2022	Proportion of ownership / interest as at March 31, 2021
<b>a) Subsidiaries</b>				
1	Centrum Retail Services Limited	India	100%	94.85%
2	Centrum Broking Limited	India	100%	97.48%
3	Unity Small Finance Bank Limited	India	51%	-
4	Centrum Microcredit Limited	India	100%	100%
5	Centrum Housing Finance Limited	India	56.39%	56.39%
6	Centrum International Services PTE Limited	Singapore	100%	100%
7	Centrum Alternatives LLP	India	100%	100%
8	Centrum Capital International Limited	Hong Kong	100%	100%
9	Centrum Alternative Investment Managers Limited	India	100%	100%
10	Centrum Financial Services Limited	India	100%	-
11	Ignis Capital Advisors Limited	India	100%	-
12	Centrum Capital Advisors Limited	India	100%	100%

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 57 : COMPOSITION OF THE GROUP (Contd..)

		(₹ in Lakhs)		
Sr. No	Particulars	Country of Incorporation	Proportion of ownership / interest as at March 31, 2022	Proportion of ownership / interest as at March 31, 2021
<b>b) Step down Subsidiaries</b>				
13	Centrum Insurance Brokers Limited	India	100.00%	94.85%
14	Centrum Investment Advisors Limited	India	84.00%	78.20%
15	Centrum Wealth Limited	India	68.63%	62.21%
16	Centrum Financial Services Limited	India	-	94.85%
17	CCAL Investment Management Limited	Mauritius	100%	100%
<b>c) Associates and Joint Ventures</b>				
18	Acorn Fund Consultants Private Limited	India	49.66%	49.66%

### Note 58 : FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 58 : Fair Value Measurement (Contd..)

#### 58.1 Financial Instrument by Category

Particulars	As at March 31, 2022				As at March 31, 2021				Total
	FVTPL	FVOCI	Amortised cost	Others*	FVTPL	FVOCI	Amortised cost	Others*	
<b>Financial Asset</b>									
Cash and cash equivalents	-	-	4,39,877.04	-	-	-	20,909.16	-	20,909.16
Bank balance other than cash and cash equivalents above	-	-	23,151.84	-	-	-	26,317.78	-	26,317.78
Derivative financial instruments	1,402.74	-	-	-	4,410.05	-	-	-	4,410.05
Trade receivables	-	-	3,459.89	-	-	-	3,456.92	-	3,456.92
Loans	-	-	3,57,254.84	-	-	-	2,18,389.98	-	2,18,389.98
Investments									
- Other equity investments	723.36	-	-	-	609.21	-	-	-	609.21
- Units of Mutual funds	3,477.86	-	-	-	1,038.44	-	-	-	1,038.44
- Government and corporate securities	1,293.86	2,37,118.32	39,304.32	-	32.32	-	-	-	32.32
- Security receipts	-	-	-	-	-	-	-	-	-
- Debt securities	-	1,031.25	1,923.87	-	-	-	3,544.64	-	3,544.64
- Preference shares	635.54	-	-	-	1,837.16	-	-	-	1,837.16
- Units of private equity	1,228.69	-	-	-	721.33	-	-	-	721.33
Other financial assets	-	-	4951.95	-	-	-	6404.40	-	6404.40
<b>Total Financial Assets</b>	<b>8,762.05</b>	<b>2,38,149.57</b>	<b>8,69,923.75</b>	<b>-</b>	<b>8,648.51</b>	<b>-</b>	<b>2,79,022.89</b>	<b>-</b>	<b>2,87,671.39</b>
<b>Financial Liability</b>									
Derivative financial instruments	33,155.20	-	-	-	17,178.14	-	-	-	17,178.14
Trade payables	-	-	11,298.36	-	-	-	8,163.55	-	8,163.55
Other payable	-	-	6,740.50	-	-	-	4.00	-	4.00
Debt securities including accrued interest	-	-	1,51,152.51	-	-	-	1,39,257.26	-	1,39,257.26
Borrowings (other than debt securities) including accrued interest	-	-	85,591.03	-	-	-	63,322.59	-	63,322.59
Deposits	-	-	3,83,790.95	-	-	-	-	-	-
Subordinated liabilities	-	-	0.00	-	-	-	1,001.19	-	1,001.19
Other financial liabilities	-	-	3,46,943.92	-	-	-	6,466.01	-	6,466.01
<b>Total Financial Liabilities</b>	<b>33,155.20</b>	<b>-</b>	<b>9,85,517.27</b>	<b>-</b>	<b>17,178.14</b>	<b>-</b>	<b>2,18,214.60</b>	<b>-</b>	<b>2,35,392.74</b>

\* Investment in subsidiaries, associates and joint ventures are measured at cost in accordance with Ind AS 27.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 58 : Fair Value Measurement (Contd..)

#### Fair Value Hierarchy of assets and liabilities

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

#### Financial instruments measured at fair value - recurring fair value measurements

Particulars	As at March 31, 2022				As at March 31, 2021				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
	(₹ in Lakhs)								
Financial assets:-									
Financial assets measured at FVTPL									
Options	1,402.74	-	-	1,402.74	4,410.05	-	-	4,410.05	
Financial investments measured at FVTPL									
- Other equity investments	723.36			723.36	609.21			609.21	
- Units of Mutual Funds	3,477.86			3,477.86	1,038.44			1,038.44	
- Government and corporate securities	1,293.86			1,293.86	32.32			32.32	
- Security receipts	-			-					
- Debt securities	-			-					
- Preference shares	-		635.54	635.54	-		1,837.16	1,837.16	
- Units of private equity	-		1,228.69	1,228.69	-		721.33	721.33	
<b>Financial investments measured at FVOCI</b>									
- Government and corporate securities	2,37,118.32			2,37,118.32					
- Debt securities	1,031.25			1,031.25					
<b>Total Financial Assets</b>	<b>2,45,047.38</b>		<b>1,864.23</b>	<b>2,46,911.62</b>	<b>6,090.02</b>		<b>2,558.49</b>	<b>8,648.51</b>	
<b>Financial liabilities:-</b>									
Financial Liabilities measured at FVTPL									
Derivatives not designated as hedges									
Embedded derivatives on redeemable market linked debentures	-	33,155.20	-	33,155.20	-	17,178.14	-	17,178.14	
<b>Total Financial Liabilities</b>		<b>33,155.20</b>		<b>33,155.20</b>		<b>17,178.14</b>		<b>17,178.14</b>	



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 58 : Fair Value Measurement (Contd..)

#### 58.2 Financial assets and liabilities measured at amortised cost for which fair value is disclosed

(₹ in Lakhs)

Particulars	Fair value hierarchy	As at March 31, 2022		As at March 31, 2021	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>					
Cash and cash equivalents	Level 2	4,39,877.04	4,39,877.04	20,909.16	20,909.16
Bank balance other than cash and cash equivalents above	Level 2	23,151.84	23,151.84	26,317.78	26,317.78
Receivables	Level 2	3,459.89	3,459.89	3,456.92	3,456.92
Loans	Level 3	3,57,254.84	3,57,254.84	2,18,389.98	2,25,015.94
Investments					
- Government and corporate securities	Level 3	39,304.32	39,304.32	-	-
- Debt securities	Level 3	1,923.87	1,923.87	3,544.64	3,544.64
Other financial assets	Level 3	4,951.95	4,951.95	6,404.40	6,404.40
<b>Financial liabilities</b>					
Trade payable	Level 2	11,298.36	11,298.36	8,163.55	8,163.55
Other payable	Level 2	6,740.50	6,740.50	4.00	4.00
Debt securities	Level 2	1,42,330.73	1,42,330.73	1,30,466.62	1,30,466.62
Borrowings (other than debt securities)	Level 2	85,241.08	85,241.08	62,866.73	62,866.73
Deposits	Level 2	3,83,790.95	3,83,790.95	-	-
Subordinated liabilities	Level 2	-	-	1,000.00	1,000.00
Interest accrued on borrowings (other than debt instruments)	Level 2	349.95	349.95	455.86	455.86
Interest accrued on debt instruments	Level 2	8,821.78	8,821.78	8,790.64	8,790.64
Interest accrued on subordinated debts	Level 2	0.00	0.00	1.19	1.19
Unpaid Dividend	Level 2	4.26	4.26	4.26	4.26
Other financial liability	Level 3	3,46,939.66	3,46,939.66	6,461.76	6,461.76

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

#### The hierarchies used are as follows:

**Level 1:** The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

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

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

#### Notes:

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank deposits, trade receivables, loans, other current financial assets, current debt securities, current borrowings and other current financial liabilities. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

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

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 58 : Fair Value Measurement (Contd..)

#### 58.3 Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for interest rate swaps – the present value of the estimated future cash flows based on observable yield curves
- for foreign currency forwards – present value of future cash flows based on the forward exchange rates at the balance sheet date
- for foreign currency options – option pricing models (eg Black-Scholes model), and
- for other financial instruments – discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities, a contingent consideration receivable and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

#### 58.4 Valuation processes

The finance department of the company includes a team that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every six months, in line with the company's half-yearly reporting periods.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Discount rates for financial assets and financial liabilities are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk gradings determined by company's internal credit risk management group.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.
- Contingent consideration – expected cash inflows are estimated based on the terms of the sale contract and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the half-yearly valuation discussion between the CFO, Audit Committee and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

#### 58.5. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2022 and March 31, 2021:

Particulars	(₹ in Lakhs)				
	Unlisted equity shares	Debt instruments	Preference shares	Units of private equity	Total
As at April 1, 2020	0.68	170.00	92.29	522.01	784.98
Acquisitions during the year	-	-	1,600.00	225.00	1,825.00
Disposals/redemption during the year	-	(170.00)	-	-	(170.00)
Conversions into equity shares during the year	-	-	-	-	-
Gains/(losses) recognised in profit or loss*	-	-	144.87	(25.68)	119.19
Gains/(losses) recognised in other comprehensive income*	(0.68)	-	-	-	(0.68)
<b>As at March 31, 2021</b>	<b>0.00</b>	<b>-</b>	<b>1,837.16</b>	<b>721.33</b>	<b>2,558.49</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 58 : Fair Value Measurement (Contd..)

Particulars	(₹ in Lakhs)				
	Unlisted equity shares	Debt instruments	Preference shares	Units of private equity	Total
Acquisitions during the year	-	-	-	327.96	327.96
Disposals/redemption during the year	-	-	-	-	-
Conversions into equity shares during the year	-	-	-	-	-
Gains/(losses) recognised in profit or loss	-	-	(1,201.62)	179.40	(1,022.22)
Gains/(losses) recognised in other comprehensive income*	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>0.00</b>	<b>-</b>	<b>635.54</b>	<b>1,228.69</b>	<b>1,864.23</b>

### 58.6 Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted.

Particulars	Fair value as at	
	March 31, 2022	March 31, 2021
Unlisted equity shares	-	-
Debt instruments	-	-
Preference shares	635.54	1,837.16
Units of private equity	1,228.69	721.33

### Note 59 : FINANCIAL RISK MANAGEMENT

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

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank deposits, trade receivables, loans and other assets, derivative financial instruments, financial assets measured at amortized cost.	Ageing analysis credit ratings	Diversification of bank deposits, credit limits and letters of credit. Further, the companies are actively involved in <ul style="list-style-type: none"> <li>• Oversight of the implementation of credit policies</li> <li>• Review of the overall portfolio credit performance and establishing guardrails</li> <li>• Review of product programs</li> </ul>
Liquidity risk	Debts, borrowings and other liabilities	Rolling cash flow forecast	Committed borrowing and other credit facilities, assignment of loan assets (whenever required), Asset Liability Management and periodic reviews by ALCO relating to the liquidity positions. ALCO not only ensures that the Company has adequate liquidity on an on-going basis but also examines how liquidity requirements are likely to evolve under different assumptions.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

Risk	Exposure arising from	Measurement	Management
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee(INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts Foreign currency options
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Review of cost of funds and pricing disbursement and Interest rate swaps
Market risk - Index linked	Market linked debentures.	Sensitivity analysis	Purchased options to hedge the risk arising out of movement in the NIFTY level.
Market risk - security prices	Investments in Mutual funds, Investment in Equity	Sensitivity analysis	Portfolio diversification, assessments of fluctuation in the equity price.

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

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

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

#### a) Credit risk management:

Credit risk is the risk that the Group will incur a loss because its trade receivable fail to discharge their contractual obligations. The Group has a comprehensive framework for monitoring credit quality of its trade receivables based on days past due monitoring at period end. Repayment by individual trade receivable is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Credit risk arises from loans and advances, cash and cash equivalents, and deposits with banks and financial institutions.

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

#### i) Credit risk management

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

#### Definition of Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which NBFC operates and other macro-economic factors.

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

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

ii) Provision for expected credit losses

Group provides for expected credit loss based on following:

Particulars	Description of category	Basis for recognition of expected credit loss provision
		Loans
Stage 1	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12-month expected credit losses
	Assets where there is low risk of default and where the counterparty has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	
	Assets where the probability of default is considered moderate, counterparty where the capacity to meet the obligations is not strong	
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	Life-time expected credit losses
	Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counterparty has increased significantly though payments may not be more than 60 days past due	
Stage 3	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with Group. Group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Credit Loss is recognized on full exposure/ Asset is written off

**Year ended March 31, 2022**

(₹ in Lakhs)

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit losses
Loss allowance measured at 12 month expected credit losses	Cash and Cash equivalents	4,40,078.95	201.90
	Trade Receivables	4,640.96	1,181.07
	Loans	3,43,186.39	10,765.23
	Other financial assets	5,393.40	441.45
Loss allowance measured at life-time expected credit losses	Loans	6,974.76	261.12
Credit Loss is recognized on full exposure/ Asset is written off	Loans	3,79,271.10	3,61,151.06

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

Year ended March 31, 2021

(₹ in Lakhs)

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit losses
Loss allowance measured at 12 month expected credit losses	Cash and Cash equivalents	20,910.07	0.91
	Trade Receivables	4,302.73	845.80
	Loans	2,02,943.74	1,364.88
	Other financial assets	6,614.18	209.78
Loss allowance measured at life-time expected credit losses	Loans	15,413.63	183.22
Credit Loss is recognized on full exposure/ Asset is written off	Loans	3,072.09	1,491.37

#### Collateral held

As of March 31, 2021, the exposure of the Group's loans were in secured as well as unsecured portfolio. The Group provides loans to the MSME other Corporate Segments which are secured as well as unsecured. The Group is also engaged in the business of supply chain finance, the portfolio of which is unsecured.

All borrowers must meet the Group's internal credit assessment procedures, regardless of the nature of the loan. Based on the nature of product and the Group's assessment of the customer's credit risk, a loan may be offered with suitable collateral.

The main types of collateral across various products includes mortgage of residential and commercial properties, Pledge of equity shares and mutual funds and lien on deposits, Plant and Machinery, book debts etc.

The Group periodically monitors the market value of collateral and evaluates its exposure and loan to value metrics for high risk customers. The Group exercises its right of repossession across all secured products. It also resorts to invoking its right under the SARFAESI Act and other judicial remedies available against its mortgages and commercial lending business.

#### a) Cash and cash equivalents

Cash and cash equivalents include balance of ₹ 4,39,878.04 Lakhs at 31 March 2021 (2021: ₹ 20,909.16 Lakhs) is maintained as cash in hand and balances with Bank and financial institution counterparties with good credit rating therefore have limited exposure to credit risk.

#### b) Loans and advances/ Investments at amortised cost

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. The loans given by the Group are unsecured and are considered to have low credit risk based on credit evaluation undertaken by the Group. There is no history of any defaults on these loans. Since few counter parties are related parties and employees of the Group, the Group regularly monitors to ensure that these entities have enough liquidity which safeguards the interest of the Group. The said loans at amortized cost are considered to have low credit risk, and the loss allowance recognized during the period was therefore limited to 12 months expected losses, Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flows obligations in the near terms.

The Group has business in lending towards secured and unsecured loans. Since these loans are majorly to Class II Companies, a general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. During the period, there was no change in the Group's collateral policies.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

#### Measurement of Expected Credit Losses

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

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

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

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

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

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

#### Probability of Default (PD)

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

#### Loss Given Default (LGD)

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

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

#### Exposure at default (EAD)

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

#### Macroeconomic Scenarios

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

#### iii) Reconciliation of loss allowance provision

##### For loans

Reconciliation of loss allowance*	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses	
		Financial assets for which credit risk has increased significantly and not credit impaired	Financial assets for which credit risk has increased significantly and credit impaired
<b>Loss allowance as at April 01, 2020</b>	860.98	71.02	1,380.04
Changes in loss allowances due to :			
ECL during the year/ (reversal) net	503.90	112.20	111.33
<b>Loss allowance on 31st March, 2021</b>	<b>1,364.88</b>	<b>183.22</b>	<b>1,491.37</b>
Changes in loss allowances due to			
ECL during the year/ (reversal) net	9,400.35	77.90	3,59,659.69
<b>Loss allowance on 31st March, 2022</b>	<b>10,765.23</b>	<b>261.12</b>	<b>3,61,151.06</b>

#### Write-offs still under enforcement

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

#### Significant increase in credit risk

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

#### Forward looking information

Management has assessed the impact of COVID-19 on significant increase in credit risk, impairment loss allowance and impairment on other assets. refer Note 73 for detailed disclosure regarding the same.



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

#### c) Trade Receivables

Group has established a simplified impairment approach for qualifying trade receivables. For these assets, Group has recognized a loss allowance based on Lifetime ECLs rather than the two step process under the general approach.

#### d) Derivative assets

The Group enters into derivatives for risk management purposes. These include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Group has elected not to apply hedge accounting requirements.

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

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Assets
Index derivatives:	1,186.38	1,402.74	2,881.25	4,410.05
<b>Total derivative financial instruments (Assets)</b>	<b>1,186.38</b>	<b>1,402.74</b>	<b>2,881.25</b>	<b>4,410.05</b>

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Liabilities
Index derivatives:	-	-	-	-
<b>Total derivative financial instruments (Liabilities)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Measurement of Expected Credit Losses

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

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

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

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

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

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

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

#### Probability of Default (PD)

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

#### Loss Given Default (LGD)

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

#### Exposure at default (EAD)

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

#### iii) Reconciliation of loss allowance provision

(₹ in Lakhs)

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses	
	For Trade Receivables	For other Financial Assets
Loss allowance on 1 April 2020	1,126.46	118.73
Changes in loss allowances due to		
Bad debts written off	(15.42)	
Net remeasurement of loss allowance	(265.24)	91.05
<b>Loss allowance on 31 March 2021</b>	<b>845.80</b>	<b>209.78</b>
Changes in loss allowances due to		
Bad debts written off	-	-
Net remeasurement of loss allowance	335.27	231.67
<b>Loss allowance on 31 March 2022</b>	<b>1,181.07</b>	<b>441.45</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

#### Loans that are past due but not impaired

Loans that are 'past due but not impaired' are those for which contractual interest or principal payments are past due but Group believes that impairment is not appropriate on the basis of the level of security or collateral available and/or the stage of collection of amounts owed to Group.

As of 31st March 2022, Group does not have any exposure on loans and advances that were modified but not derecognised during the year, for which the provision for doubtful debts was measured at a lifetime ECL at the beginning of the year and at the end of the year had changed to 12- months ECL

#### Concentration of credit risk

The Group monitors concentrations of credit risk by sector and by segments. The major portfolio of Group is under Investments. Group regularly track the performance of the investment portfolio as this has high concentration risk.

#### b) Liquidity risk :

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Due to the dynamic nature of the underlying businesses, Group's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

#### Financing arrangements

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

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Undrawn borrowing facilities	3,951.25	12,085.85

#### Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities, and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### As at March 31, 2022

(₹ in Lakhs)

Particulars	Carrying amount	Contractual cash flows					
		Gross nominal inflow/ (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 years	Over 3 years
Non-derivative financial liabilities							
Debt securities	1,42,330.73	(3,81,361.86)	(6,215.38)	(27,118.01)	(32,560.23)	(65,374.87)	(2,50,093.37)
Borrowings (other than debt securities)	85,241.08	(90,617.71)	(13,348.99)	(8,876.63)	(19,869.65)	(26,770.85)	(21,751.59)

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

(₹ in Lakhs)

Particulars	Carrying amount	Contractual cash flows					Over 3 years
		Gross nominal inflow/ (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 years	
Deposits	3,83,790.95		(37,915.35)		(30.01)	(3,44,169.14)	(126.95)
Subordinated liabilities	-	-	-	-	-	-	-
Other financial liabilities	3,56,115.64	(8,15,092.77)	(5,622.63)	(1,398.75)	(21,415.57)	(49,704.28)	(7,36,951.54)
	<b>9,67,478.40</b>	<b>(12,87,072.34)</b>	<b>(63,102.35)</b>	<b>(37,393.39)</b>	<b>(73,875.46)</b>	<b>(4,86,019.14)</b>	<b>(10,08,923.45)</b>
Derivative financial Liabilities							
Derivative Financial Instruments	33,155.20	(33,155.20)	(1,131.03)	(1,475.42)	(6,806.20)	(16,689.53)	(7,053.02)
Derivative financial assets							
Derivative Financial Instruments	1,402.74	1,402.74	242.23	-	795.85	364.67	-

As at March 31, 2021

(₹ in Lakhs)

Particulars	Carrying amount	Contractual cash flows					Over 3 years
		Gross nominal inflow/ (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 years	
Financial liabilities							
Debt securities	1,30,466.62	(1,67,461.09)	(12,059.11)	(14,086.96)	(30,917.79)	(88,393.04)	(22,004.19)
Borrowings (other than debt securities)	62,866.73	(64,266.35)	(11,132.82)	(9,017.30)	(19,453.83)	(19,904.62)	(4,757.78)
Subordinated liabilities	1,000.00	(1,001.18)	(0.93)	-	(0.25)	-	(1,000.00)
Other financial liabilities	15,714.05	(15,714.08)	(7,735.38)	(2,364.98)	(4,207.23)	(1,118.03)	(288.46)
	<b>2,10,047.41</b>	<b>(2,48,442.70)</b>	<b>(30,928.24)</b>	<b>(25,469.24)</b>	<b>(54,579.10)</b>	<b>(1,09,415.69)</b>	<b>(28,050.43)</b>
Derivative financial Liabilities							
Derivative Financial Instruments	17,178.14	(17,178.15)	(966.52)	(982.17)	(3,716.65)	(11,512.81)	-
Derivative financial assets							
Derivative Financial Instruments	4,410.05	4,410.05	1,422.48	-	2,638.87	348.70	-

#### c. Market risk

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

#### Total market risk exposure

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Carrying amount	Traded risk	Non traded risk	Carrying amount	Traded risk	Non traded risk
<b>Assets</b>						
Cash and cash equivalents	4,39,877.04	-	4,39,877.04	20,909.16	-	20,909.16
Bank balance other than cash and cash equivalents above	23,151.84	-	23,151.84	26,317.78	-	26,317.78
Derivative financial instruments	1,402.74	1,402.74	-	4,410.05	4,410.05	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Carrying amount	Traded risk	Non traded risk	Carrying amount	Traded risk	Non traded risk
Trade Receivables	3,459.89	-	3,459.89	3,456.92	-	3,456.92
Loans	3,57,254.84	-	3,57,254.84	2,18,389.98	-	2,18,389.98
Investments - at amortised cost	41,228.19	-	41,228.19	3,544.64	-	3,544.64
Investments - at FVOCI	2,38,149.57	2,38,149.57	-	-	-	-
Investments - at FVTPL	7,359.32	7,359.32	-	4,238.45	4,238.45	-
Other financial assets	4,951.95	-	4,951.95	6,404.40	-	6,404.40
<b>Liabilities</b>						
Trade payables	11,298.36	-	11,298.36	8,167.55	-	8,167.55
Other payables	6,740.50	-	6,740.50	4.00	-	4.00
Derivative Financial Instruments	33,155.20	33,155.20	-	17,178.14	17,178.14	-
Debt securities	1,51,152.51	-	1,51,152.51	1,39,257.26	-	1,39,257.26
Borrowings (other than Debt securities)	85,591.03	-	85,591.03	63,322.59	-	63,322.59
Deposits	3,83,790.95	-	3,83,790.95	-	-	-
Subordinated liabilities	0.00	-	0.00	1,001.19	-	1,001.18
Other financial liabilities	3,46,943.92	-	3,46,943.92	6,466.01	6,466.01	6,466.01

#### i) Price risk

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

(₹ in Lakhs)

Particulars	As at March 31, 2022			
	Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease
(a) Equity investments	7.23	(7.23)	-	-
(b) Debt securities	-	-	-	-
(c) Preference shares	6.36	(6.36)	-	-
(d) Units of Mutual funds	34.78	(34.78)	-	-
(e) Government and corporate securities	12.94	(12.94)	-	-
(f) Units of private equity	12.29	(12.29)	-	-
(e) Options(net)	14.03	(14.03)	-	-

(₹ in Lakhs)

Particulars	As at March 31, 2021			
	Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease
(a) Equity investments	6.09	(6.09)	-	-
(b) Debt securities	-	-	-	-
(c) Preference shares	18.37	(18.37)	-	-
(d) Units of Mutual funds	10.38	(10.38)	-	-
(e) Government and corporate securities	0.32	(0.32)	-	-
(e) Units of private equity	7.21	(7.21)	-	-
(e) Options(net)	44.10	(44.10)	-	-

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

#### ii) Currency risk :

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's exposures to unhedged foreign currency risk as at the end of reporting periods expressed in INR as follows :

#### a) Trade Receivable

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Trade Receivable	27.45	4.69
	(USD 36,217 @ Closing rate of 1USD = ₹ 75.81)	(USD 6,392 @ Closing rate of 1USD = ₹ 73.5047)

#### Sensitivity

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

Particulars	Impact on Profit before tax	
	March 31, 2022	March 31, 2021
INR/USD Sensitivity increase by 5%	1.37	0.23
INR/USD Sensitivity decrease by 5%	(1.37)	(0.23)

#### b) Cash and Cash equivalents

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Cash and Cash equivalents		
USD 1639574.57 @ closing rate 1USD =₹ 75.81	1,238.04	-
GBP 235870.37 @ closing rate 1GBP =₹ 99.15	233.87	-
EURO 15902.44 @ closing rate 1EURO =₹ 84.09	13.37	-
<b>Total</b>	<b>1,485.28</b>	<b>-</b>

#### Sensitivity

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

Particulars	Impact on Profit before tax	
	March 31, 2022	
	Sensitivity increase by 5%	Sensitivity decrease by 5%
INR/USD Sensitivity	61.90	(61.90)
INR/GBP Sensitivity	11.69	(11.69)
INR/EURO Sensitivity	0.67	(0.67)
<b>Total</b>	<b>74.26</b>	<b>(74.26)</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 59 : FINANCIAL RISK MANAGEMENT (Contd..)

#### iii) Interest rate risk

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

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

#### Exposure to interest rate risk

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

	(₹ in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
Variable-rate instruments		
Borrowing	43,632.17	33,737.70

#### Sensitivity

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

	(₹ in Lakhs)	
Particulars	Impact on profit before tax	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest rates – increase by 100 basis points (100 basis points)*	436.3	337.4
Interest rates – decrease by 100 basis points (100 basis points)*	(436.3)	(337.4)

\* Holding all other variables constant

#### Fair value sensitivity analysis for fixed rate instruments

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

### Note 60: FINANCIAL INFORMATION OF SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTEREST IS PROVIDED BELOW :

	(₹ in Lakhs)		
Particulars (As at March 31, 2022)	Unity Small Finance Bank Limited	Centrum Housing Finance Limited	Centrum Wealth Limited
Proportion of interest held by non-controlling interests	49.00%	43.61%	31.37%
Accumulated balances of material non-controlling interests	1,13,064.39	18,029.06	344.45
<b>Summarised Financial information for the Balance Sheet</b>			
Financial assets	9,59,603.07	68,157.34	5,079.47
Non-financial assets	1,15,260.14	1,439.15	1,915.03
Financial liabilities	8,69,521.37	27,837.72	4,094.52
Non-financial liabilities	29,536.06	95.95	1,191.92
Dividend paid to non-controlling interests	Nil	Nil	Nil

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

**Note 60: Financial information of subsidiaries that have material non-controlling interest is provided below : (Contd..)**

Particulars (As at March 31, 2022)	(₹ in Lakhs)		
	Unity Small Finance Bank Limited	Centrum Housing Finance Limited	Centrum Wealth Limited
<b>Summarised Financial information for the Statement for Profit and Loss</b>			
Revenue from operations	14,455.48	7,099.85	17,243.42
Profit/(Loss) for the year	(6,690.37)	1,453.50	4,209.97
Other Comprehensive Income (OCI)	(345.36)	(10.75)	(86.79)
Total Comprehensive Income	(7,035.73)	1,442.75	4,123.18
<b>Summarised Financial information for the Cash Flow</b>			
Net cash inflow/(outflow) from Operating activities	(32,897.27)	(1,334.30)	5,938.64
Net cash inflow/(outflow) from Investing activities	(38,212.62)	(1,823.49)	23.23
Net cash inflow/(outflow) from Financing activities	4,30,659.96	(688.01)	6,177.25
Net cash inflow/(outflow)	3,59,550.07	(3,845.80)	(215.38)

Particulars (As at March 31, 2021)	(₹ in Lakhs)	
	Centrum Housing Finance Limited	Centrum Wealth Limited
Proportion of interest held by non-controlling interests	43.61%	34.41%
Accumulated balances of material non-controlling interests	17,399.87	(926.99)
<b>Summarised Financial information for the Balance Sheet</b>		
Financial assets	66,217.47	4,505.25
Non-financial assets	842.76	2,300.67
Financial liabilities	26,870.45	8,288.37
Non-financial liabilities	123.04	932.68
Dividend paid to non-controlling interests	Nil	Nil
<b>Summarised Financial information for the Statement for Profit and Loss</b>		
Revenue from operations	6,799.33	8,468.52
Profit/(Loss) for the year	1,188.19	92.35
Other Comprehensive Income (OCI)	4.37	(50.47)
Total Comprehensive Income	1,192.56	41.88
<b>Summarised Financial information for the Cash Flow</b>		
Net cash inflow/(outflow) from Operating activities	(1,881.64)	2,850.27
Net cash inflow/(outflow) from Investing activities	(819.21)	(488.66)
Net cash inflow/(outflow) from Financing activities	4,820.22	(2,929.03)
Net cash inflow/(outflow)	2,119.36	(567.42)

### Note 61 : AMALGAMATION OF THE PUNJAB AND MAHARASHTRA CO-OPERATIVE BANK LTD WITH UNITY SMALL FINANCE BANK LIMITED

- A** The Punjab and Maharashtra Co-operative Bank Limited (“PMC”) was a Multi-State Scheduled Urban Co-operative Bank registered under the Multi-State Co-operative Societies Act, 2002 (39 of 2002) and carrying on the business of Banking in India. On account of detection of certain instances of fraud in the PMC in September 2019 and consequent to the precarious financial conditions, including complete erosion of capital and substantial deposit erosion of the PMC, RBI issued “All Inclusive Directions” to the PMC under Section 35A read with Section 56 of the Banking Regulation Act, 1949 (10 of 1949) with effect from close of business of September 23, 2019, to protect the interest of the depositors and to ensure that the Bank’s available resources are not misused or diverted. RBI in exercise of the powers conferred under sub-sections (1) and (2) of section 36AAA read with section 56 of the Banking Regulation Act, 1949 (10 of 1949) superseded the Board of Directors of the PMC on September 23, 2019 and appointed an Administrator in its place.



## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 61 : Amalgamation of the Punjab and Maharashtra Co-Operative Bank Ltd with Unity Small Finance Bank Limited (Contd..)

Centrum Financial Services Limited, as promoters along with Resilient Innovation Private Limited as “joint investor”, had expressed interest in the month of February 2021 in acquiring the Punjab and Maharashtra Co-operative Bank Limited through a suitable scheme of amalgamation with a new Small Finance Bank to be registered by the promoter. Accordingly, the Unity Small Finance Bank Limited (“USFB”) was incorporated as Banking Company under the Companies Act, 2013 on August 25, 2021 and granted Banking licence by Reserve Bank under section (1) of Section 2 of Banking Regulation Act on October 12, 2021. The said USFB has started transacting business of Banking under section 5(c) of Banking Regulation Act, 1949 from November 1, 2021.

In exercise of the powers conferred by sub-section (7) of section 45 of the Banking Regulation Act, 1949 (10 of 1949), (the “Act”), the Central Government sanctioned Punjab and Maharashtra Co-operative Bank Limited (Amalgamation with Unity Small Finance Bank Limited) Scheme, 2022 vide notification dated January 25, 2022 (hereinafter referred to as the “Scheme” or “SOA”) for amalgamation of the PMC with the USFB, which came into force on January 25, 2022 (“appointed date”).

As per the Scheme, upon its coming into effect from the appointed date, the undertaking of PMC Bank including all its assets, liabilities and specified reserves stood transferred/ deemed to be transferred to and vest in the USFB. Further, on and from the appointed date, the entire amount of the paid-up share capital and reserves and surplus of PMC stood written off.

The amalgamation has been accounted for as per the Scheme. In accordance with the Scheme:

**The assets shall be valued as follows:**

- a) Investments other than Government Securities shall be valued at the market rates prevailing on the day immediately preceding the appointed date;
- b)
  - (i) The Government Securities shall be valued as on the day immediately preceding the appointed date in accordance with the extant Reserve Bank guidelines;
  - (ii) The Securities of the Central Government such as Post-Office Certificates, Treasury Savings Deposit Certificates and any other securities or certificates issued under the small savings schemes of the Central Government shall be valued at their face value or the encashable value as on the said date, whichever is higher;
  - (iii) Where the market value of any Government Security held by the transferor Bank in respect of which the principal is payable in instalments, is not ascertainable or is for any reason not considered as reflecting the fair value thereof or as otherwise appropriate, the security shall be valued at such amount as is considered reasonable having regard to the instalments of principal and interest remaining to be paid, the period during which such instalments are payable, the yield of any security issued by the Government to which the security pertains and having the same or approximately the same maturity and other relevant factors;
- c) Where the market value of any security, share, debenture, bond or other investment is not considered reasonable by reason of its having been affected by abnormal factors, the investment may be valued on the basis of its average market value over any reasonable period;
- d) Where the market value of any security, share, debenture, bond or other investments is not ascertainable, only such value, if any, shall be taken into account as is considered reasonable, having regard to the financial position of the issuing concern, the dividends paid by it during the preceding five years and other relevant factors;
- e) Premises and all other immovable properties and any assets acquired in satisfaction of claims shall be valued at their market value;
- f) The furniture and fixtures, stationery in stock and other assets, if any, shall be valued at the written down value as per books or the realisable value as may be considered reasonable;

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 61 : Amalgamation of the Punjab and Maharashtra Co-Operative Bank Ltd with Unity Small Finance Bank Limited (Contd..)

- g) advances, including bills purchased and discounted, book debts, sundry assets, and all other remaining tangible/intangible assets will be scrutinised by the transferee Bank and the securities, including guarantees held as cover therefor examined and verified by the transferee Bank and thereafter, the advances including portions thereof, will be classified into two categories namely, "Advances considered good and readily realisable" and "Advances considered not readily realisable and/or bad or doubtful of recovery".
- h) Liabilities for purposes of the Scheme shall include all liabilities, including contingent liabilities, which the transferee Bank may be required to meet on or after the appointed date and in determining the value of the liabilities (including the liability towards Deposit Insurance and Credit Guarantee Corporation for payments to the insured depositors) for initial recognition in the books of the transferee Bank, the measurement basis maybe decided by the Reserve Bank and could include historical cost, current cost, settlement value, present value or any other measurement basis.

- i) Restructured Deposits Payable within 5 years from Amalgamation Date :

These are liabilities pertaining to erstwhile Retail Depositors of PMC Bank payable between Year 1 and Year 5 from the Amalgamation date. The Bank shall pay a nominal amount to retail depositors between Year 1 and Year 5 from the Amalgamation date as set out in Clause No [6 ] to [c ] of Note [ii to vi]. There is no interest payable on these sums. These nominal amounts have been valued on a present value basis and carried in the financial statements as on 31st March 2022. The Effective Interest Rate of this liability over the tenor of the liability shall be charged to Finance Costs in the Profit & Loss Account for the relevant periods.

- ii) Restructured Deposits Payable at the end of 10 years from the date of amalgamation of PMC and Unity Bank

These are liabilities pertaining to erstwhile Retail Depositors of PMC Bank payable at the end of 10 years from the Amalgamation Date. The Bank shall pay a nominal amount to retail depositors at the end of Year 10 of the Amalgamation date as set out in Clause No [6] of Note [c] of Note [vii]. Annual interest of 2.75% is payable from Year 6 till year 10 on these nominal amounts. These nominal amounts have been valued on a present value basis and carried in the financial statements as on 31st March 2022. The Effective Interest Rate of this liability over the tenor of the liability shall be charged to Finance Costs in the Profit & Loss Account for the relevant periods.

- iii) Facility from DICGC

DICGC has extended a facility to the Bank to repay Depositors as explained in detail in Clause No [6][c] [i to vii]. As on 31st March 2022, part of the facility has been approved by DICGC and availed of by the Bank. The bank shall repay the nominal amount received (no interest is payable on these sums) pursuant to Clause [7] of Note [2]. These nominal amounts have been valued on a present value basis and carried in the financial statements as on 31 Mar 2022. The Effective Interest Rate of this liability over the tenor of the liability shall be charged to Finance Costs in the Profit & Loss Account for the relevant periods.

- iv) Perpetual Non-Cumulative Preference Shares (PNCPS)

The Bank issued PNCPS to institutional depositors with dividend of one per cent, per annum payable annually. PNCPS have been valued on a present value basis and carried in the financial statements as on 31st March 2022.

The management of USFBL has carried out valuation of assets and determination of liabilities as on the appointed date of Amalgamation of erstwhile PMC Bank with USFBL i.e 25th January 2022, on the basis of balance sheet as at 24th January, 2022 i.e as at the close of business on the date immediately preceding the appointed date i.e January 25,2022 as per the scheme of amalgamation. The balance sheet as at 24th January, 2022 was audited by a firm of Chartered Accountants (auditor) approved by RBI and they have expressed qualified opinion vide their report dated 28th May, 2022. The management has taken cognizance of the matters of qualified opinion expressed by the said auditor and made adjustments in the valuation of assets and determination of liabilities as at the appointed date wherever required.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### B Details of the assets valued and liabilities reckoned as per the scheme of amalgamation referred to above are as under:

Particulars	(₹ in Lakhs) As at 25-01-2022
<b>Financial Assets</b>	
Cash and cash equivalents	44,393.39
Bank balances other than cash and cash equivalents	12,130.79
Investments	256,438.45
Loans	62,011.52
Other Financial Assets	1,840.98
<b>Non Financial Assets</b>	
Current Tax (Net)	2,886.25
Deferred Tax asset on provision for doubtful advances ( Refer note ( e ) below )	73,000.00
Property, plant and equipment	25,862.39
Right-of-use assets	2,021.18
Other intangible assets	55.05
Other Non Financial Assets	2,800.10
<b>Total Assets (I)</b>	<b>483,440.12</b>
<b>Financial Liabilities</b>	
Trade Payables	3,500.40
Debt Securities - Issue of PNCPS towards depositors liabilities	15,606.12
Borrowings	14,912.93
Lease Liabilities	2,021.18
Other Financial Liabilities	299,638.57
<b>Non Financial Liabilities</b>	
Provisions	30,314.24
Other Non Financial Liabilities	36,793.61
<b>Equity and Reserves and Surplus</b>	
Issue of equity warrants towards depositors liabilities	52,968.24
<b>Total Liabilities (II)</b>	<b>455,755.29</b>
<b>Net Assets (III) = (II) - (I)</b>	<b>27,684.83</b>
<b>Purchase consideration [IV]</b>	<b>Nil</b>
<b>Capital Reserve on Amalgamation [IV] - [III]</b>	<b>27,684.83</b>
Group Share	14,119.26
Non-controlling interest share	13,565.57

- a) The USFB scrutinised advances portfolio and considered additional provisioning, on a conservative basis, on advances over and above the provisions as per audited balance sheet as at 24th January referred to hereinabove in respect of standard assets, taking into account the possibility of additional accounts which may have to be classified as NPA, as the process of identification of NPA in the erstwhile PMC Bank was manual.
- b) The Bank has made adjustments in the carrying value of land and building as at the appointed date taking into account the valuation report obtained from approved valuer.
- c) The Bank has reckoned additional liabilities as at the appointed date based on its assessment.
- d) Other Assets include refund amount of ₹ 28 crores due from income tax department in respect of various assessment years of erstwhile PMC Bank. The said amount has been arrived at based on the assessment of the Bank that it is reasonably certain that it is recoverable.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

- e) Deferred tax asset as at the appointed date has been recognised for the tax effect on provision for doubtful advances to the extent that it is reasonably certain that sufficient future taxable income will be available against which the said deferred tax asset can be realised. The erstwhile PMC Bank had not recognised Deferred Tax Asset on the same based on its own assessment.

However, Deferred tax asset has not been recognised for the tax effect on accumulated loss pertaining to erstwhile PMC Bank for the assessment years upto AY 2021-22 considering that admissibility of these losses for set offs is yet to be clearly established and also considering that assessments of erstwhile PMC for certain years have not yet been completed.

- f) The Bank shall have time up to 20 years from the appointed date, to repay the amount received from Deposit Insurance and Credit Guarantee Corporation (DICGC) towards payment to the insured depositors, which can be done in one instalment or in several instalments and the transferee Bank shall create a reserve account in its books and make periodical transfers to it as may be approved by Reserve Bank, for the purpose of discharging its liability towards DICGC in accordance with the provisions of the Scheme.

### Note 62 : TITLE DEEDS OF IMMOVABLE PROPERTIES AND PHYSICAL VERIFICATION OF FIXED ASSETS

- a) The Bank has carried out physical verification of fixed assets of all the branches of erstwhile PMC Bank. Physical verification of Fixed Assets of Central Office of the erstwhile PMC Bank at Dreams Mall – Bhandup could not be carried out due to major Fire which occurred on 25th March 2021 at the said premises, and the entry to the mall is restricted.
- b) The Bank has obtained the title deeds of all the immovable properties of erstwhile PMC Bank, except for few premises, the title deeds of which are being traced. The Bank is also in the process of getting these title deeds transferred in its name. Registration formalities/obtaining occupancy certificate etc. are pending in respect of certain Land and building.

### Note 63 : FRAUD IN ERSTWHILE PMC BANK AND DISPUTES RELATING TO ERSTWHILE PMC BANK AND THE SCHEME OF AMALGAMATION

- a) Certain instances of fraud by Housing Development and Infrastructure Limited (HDIL) and its group companies in the erstwhile PMC Bank were detected in September 2019 and the said PMC Bank was placed under All Inclusive Directions (AID). The Bank has made full provision in respect of the advances given to HDIL by erstwhile PMC Bank.
- b) Public interest Litigation has also been filed against promoters of HDIL and erstwhile PMC Bank for taking criminal/civil action. There are certain legal cases filed against the erstwhile PMC Bank for release of mortgage of the properties held by the Bank and also for certain other claims against the said PMC Bank. The Bank has analysed these cases and does not expect any liability in this regard.
- c) Some of the depositors of erstwhile PMC have filed writ petition/public interest litigation against the said Bank and others for protecting the interest of depositors and for repayment of the deposits alongwith interest in full and also against the scheme of amalgamation. Some of the creditors have filed cases against the said PMC Bank for recovering their dues. As per the Scheme of Amalgamation referred to in note 55 (a) depositor or creditor of the transferor Bank shall be entitled to make any demand against the erstwhile PMC Bank or the Bank (USFBL) in respect of any liability of the transferor Bank to the depositor/creditor except to the extent specified by the Scheme referred to hereinabove. Accordingly, the Bank is of the opinion that the said claims of depositors or creditors of erstwhile PMC would not result in outflow of resources beyond the amount to which the Bank is liable as per the said Scheme.

### Note 64 : AUTOMATION OF IT SYSTEM

The erstwhile PMC's Core Banking Solutions (CBS) was not automated fully and the computation of DPD, asset classification and interest capitalisation were being done manually. The Bank is intending to take steps in the future for upgradation and automation of existing system and also integrating the system being used by NBFCs which were acquired on slump sale basis with the CBS system after upgradation and automation. In case of advances pertaining to erstwhile PMC, the management has made provision based on detailed analysis of various portfolios of such advances and does not expect any additional provisioning on this account.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 65 : INTERNAL/CONCURRENT AUDIT/SYSTEM AUDIT

The Bank has initiated the process of conducting the internal/concurrent audit of operations of erstwhile PMC Bank by an external auditor. The same is in progress. The Bank will be carrying out System / EDP audit as required under RBI guidelines for reviewing various IT controls in the future after upgradation/ integration of various systems.

### Note 66 : TRANSFER TO DEPOSIT EDUCATION AND AWARENESS FUND (DEAF) BY ERSTWHILE PMC BANK

Since erstwhile PMC Bank was placed under AID, unclaimed amounts were not transferred to DEAF by erstwhile PMC Bank. The Bank is also taking steps to identify such unclaimed amounts and transferring to DEAF.

### Note 67 : RELAXATIONS /FORBEARANCES GRANTED BY RBI+B12

Reserve Bank of India vide its letter dated October 12,2021 has granted the relaxation/forbearances to the Bank giving additional time of 3 years over and above the period prescribed by RBI in SFB guidelines 2019 to comply with the following provisions:

- i) Achievement of Priority Sector lending target of 75% of Adjusted Net Bank Credit.
- ii) Requirement of atleast 50% of loan portfolio to constitute loans and advances of upto ₹ 25 lacs and;
- iii) Adherence to Exposure limit to single and group obligor for loans acquired from CFSL / CML / erstwhile PMC.

### Note 68: RBI vide its letter dated March 10,2022 has given the following clarifications:

- a) Equity warrants may be included in the common equity.
- b) The Bank is permitted to treat payables to retail depositors of PMC bank (more than 15 lacs) to be repaid at the end of 10 years as Tier II Bonds for the purpose of CRAR calculations.
- c) Certain restructured liabilities i.e perpetual Non-Cumulative Preference Shares (“PNCPS”) is a BASEL III instrument. Since the said instrument is issued to the Central Government notified scheme ( the “scheme”) to the extent there is any inconsistency, discrepancy or deviation with the applicable law, the provisions of the Scheme shall prevail.
- d) The restructured liabilities i.e such as PNCPS, equity warrants or DICGC 10 years retail payable (allowed to be treated as Tier II capital) may not be included in the Net demand and time liabilities. However, the deposits that the bank needs to pay within the span of 5 years (excluding the deposits payable by DICGC) will come under the definition of deposits and attract CRR/SLR requirements.
- e) The Bank is permitted to grandfather the existing contracts in respect of foreign exchange business with customers of erstwhile PMC Bank.

### Note 69:

RBI vide its letter dated May 18,2022 has permitted the bank to include the fair value of the DICGC and PNCPS liability in CET -1 Capital till the bank lists itself.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 70:

The Bank is carrying 'The principal protected secured redeemable non-convertible market linked debentures (MLDs) and the Non-Convertible Debentures (NCD) issued by the Centrum Financial Services Limited (CFSL), a NBFC- Core Investment Company from whom the NBFC business was acquired on Slump sale basis. The MLDs are fully secured by a first pari-pasu charge over the specified immovable property wherever applicable and present and future book debts, investments & receivables of the Bank. The NCDs are fully secured by first ranking pari passu charge against the Bank's identified receivables.

Banks are precluded from creating floating charge on their assets. Since such borrowings have been acquired from CFSL (an NBFC) by the Bank (SFB), in terms of The Guidelines for 'on tap' Licensing of Small Finance Banks in the Private Sector (SFB guidelines -2019) dated December 05,2019 issued by RBI, the grandfathering of the aforesaid borrowings has been permitted till their maturity.

### Note 71 : RECONCILIATION OF OFFICE ACCOUNTS

The bank has taken necessary steps to reconcile various accounts such as ATM balances, ESCROW accounts, sundry balances accounts, internal GL balance and sundry receivable of the erstwhile PMC Bank. Necessary adjustments will be made after completing the reconciliation.

### Note 72 :

The subsidiary Company Centrum Financial services Limited (CFSL) had invested in 50 Perpetual Subordinated Unsecured Basel III Compliant Additional Tier I Bonds ("AT I Bonds") issued by Yes Bank Limited aggregating to ₹ 500 Lakhs on October 18, 2017. Yes Bank Limited has fully written down AT I Bonds in their financial statements for year ended 31 March 2020. Axis Trustee, representing the Bondholders, has filed a Writ Petition in the Hon'ble Bombay High Court to seek a restraining order against the Issuer to unilaterally write down the bonds to zero. Subsequently, the Honourable Court has directed that any action taken by Yes Bank Limited shall be subject to outcome of the writ petition. Since the matter filed by Axis Trustee is pending in the Bombay High Court for further orders, and sufficient time has lapsed, the Management has taken a conservative view to write down the carrying amount of the bond of ₹ 100 Lakhs completely as on March 31, 2021.

### Note 73 :

The outbreak of COVID-19 pandemic across the globe and in India had a significant impact on the global and Indian financial markets and slowdown in economic activities. The Group has granted moratorium up to six months on the payment of instalments falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers based on the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and May 23, 2020 relating to 'COVID-19 - Regulatory Package' and RBI guidelines on Asset Classification and Provisioning dated April 17, 2020. Further, period for which moratorium is granted has not been considered for computing days past due (DPD) as on March 31, 2021. Extension of such moratorium benefit to the borrowers as per the COVID-19 Regulatory Package of the Reserve Bank of India (RBI) and DPD freeze for such period, by itself, was not assessed/considered to result in significant increase in the credit risk as per Ind AS 109 for staging of accounts. The Group had made provisions as per the adopted ECL model for impairment on financial instruments. Currently, the Group has considered the moratorium, various other measures taken by Government and the DPD status from the end of the moratorium period and the collection efficiency of the Group and accordingly have assessed that no additional provisioning on account of impact of COVID 19 is required as on March 31, 2021. Further, the Group's current view is that all other assets of the Group are recoverable. The impact of COVID -19 is dynamic, evolving and uncertain and impact assessment is based on the current situation. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

### Note 74 :

The deeds of immovable properties not held in name of the Unity Small Finance Bank Limited

Sr. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds held in name of	Whether title deed holder is promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Unity Small Finance Bank Limited *
1	Property, plant, equipment	Land & Building	₹ 3,510.95 lakhs	Shree Srinivas Realtors Pvt. Ltd.	Director	2018	The Company has put an application against the rejection and transfer basis. Deed of apartment from SRO is awaited.

(\*Unity Small Finance Bank Limited has obtained the title deeds of all immovable properties of erstwhile PMC Bank, except for few properties, the title deeds of which are being traced. The Bank is also in process of getting these title deeds transferred in its name. Registration formalities/obtaining occupancy certificate etc. are pending in respect of certain land and building)

### Note 75 :

Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union Bank of India & Anc) vide an interim order dated September 3, 2020 had directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, until December 31, 2020, the Group did not classify any additional borrower account as NPA as per RBI or other regulatory prescribed norms after August 31, 2020 which were not NPA as of August 31, 2020.

The interim order stood vacated on March 23, 2021 vide the judgment of the Hon'ble Supreme Court in the matter of Small Scale Industrial Manufacturers Association v/s UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17 DOR.STR. REC. 4/ 21.04.048/ 2021-22, dated April 07, 2021 issued in this connection, the Group has classified the borrower account as per the extant RBI norms/IRAC norms and as per the ECL model under Ind AS Financial Statements as on March 31, 2021.

### Note : 76 The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of amendments dated March 24, 2021 in Schedule III to the Companies Act 2013 with effect from April 01, 2021:-

- There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as applicable except in case of Unity Small Finance Bank Limited there was a charge in relation to HDFC Bank Limited (Charge ID -100552710 amounting to ₹ 5,000 lakhs which was filed beyond the statutory period due to delayed response from lender.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year 2021-2022.
- There is no proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The details is not applicable to the Group, related to transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme and shall also state whether the previously unrecorded income and related assets have been properly recorded in the books of account during the year.

## Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2022

- 5 The Group is not declared as a wilful defaulter by any bank or financial institution or other lender.
- 6 The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall : (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- 7 The Group has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Group shall : (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

### Note 77 : EVENTS OCCURRING AFTER THE REPORTING PERIOD

During the year, there have been no events after the reporting date that require disclosure in these consolidated financial statements.

**Note 78 :** Amount shown as ₹ 0.00 represents amount below ₹ 5,000 (Rupees Five Thousand).

### Note 79: PREVIOUS YEAR COMPARATIVES

Figures for the previous year have been regrouped wherever necessary to confirm to the current year in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective from April 01, 2021.

Signatures to Notes 1 to 79

#### SHARP & TANNAN

Chartered Accountants  
Firm's Registration No. 109982W  
by the hand of

#### Edwin P. Augustine

Partner  
Membership No. 043385

Place : Mumbai  
Date : May 30, 2022

For and on behalf of Board of Directors of  
**Centrum Capital Limited**

#### Jaspal Singh Bindra

Executive Chairman  
DIN : 00128320

#### Sriram Venkatasubramanian

Chief Financial Officer

#### Parthasarathy Iyengar

Company Secretary  
Membership No. A21472









**C**ENTRUM

CIN - L65990MH1977PLC019986

**CORPORATE OFFICE**

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