



Centrum Financial Services Limited

Annual Report 2023-24

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Board of Directors

Mr. Rishad Byramjee
Executive Director

Mr. Jaspal Bindra
Non – Executive Director

Mr. Ranjan Ghosh
Non – Executive Director

Ms. Deepa Poncha
Non- Executive Director

Mr. Subhash Kutte
Independent Director

Mr. Siddhartha Sengupta
Independent Director

Key Managerial Personnel

Mr. Abhishek Baxi
Chief Financial Officer

Ms. Archana Goyal
Company Secretary

Corporate Information

Registered Office:

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

Tel – 022 – 42159000

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

Website – www.centrum.co.in

Corporate Identification Number:

U65910MH1993PLC192085

Statutory Auditors:

M/s. Shah & Taparia.

Registrar & Share Transfer Agents:

Link Intime India Private Limited

C 101, 247 Park, LBS Rd, Surya Nagar,
Gandhi Nagar, Vikhroli West, Mumbai -
400083

DIRECTORS' REPORT

To
The Members,
Centrum Financial Services Limited,

Your Directors are pleased to present the Annual Report along with the Audited Financial Statements for the financial year ended March 31, 2024.

FINANCIAL HIGHLIGHTS

The summary of Company's financial performance for the F.Y. 2023-24 vis a vis F.Y. 2022-23 is given below:

Particulars	(Amt. in Lakh)	
	Year ended March 31, 2024	Year ended March 31, 2023
Total Revenue	2.83	779.14
Total Expenses	2,492.01	879.34
Profit/ (Loss) before exceptional items	(2,489.18)	(100.20)
Exceptional Items	-	-
Profit/ (Loss) after exceptional items from Discontinued Operations (refer table below)	-	-
Less: Taxation Expenses	-	-
Profit /(Loss) after tax	(2,489.18)	(100.20)
Other Comprehensive Income		-
Total Income post considering other Comprehensive income	(2,489.18)	(100.20)
Balance of profit/ (loss) for earlier years	(74.66)	25.54
Add: Profit for the year	(2,489.18)	(100.20)
Less: Transfers to reserve/profit or loss for the year	42.73	-
Balance carried forward	(2,521.11)	(74.66)

PERFORMANCE OF BUSINESS AND SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Operations during FY 2023-24: Pursuant to condition specified in Reserve Bank of India ("RBI") letter dated October 12, 2021 relating to granting of banking licence to Unity Small Finance Bank Limited and Certificate of Registration issued to your Company for conversion from Non-Banking Financial Company-Investment and Credit Company (NBFC-ICC), to Non-Banking Financial Company-Core Investment Company (NBFC-CIC), your Company has initiated the process of converting the Company into Non – Operating Financial Holding Company (NOFHC).

During the year under review, your Company has purchased 100% equity shares of Ignis Capital Advisors Limited, approx. 16% of equity shares of Centrum Wealth Limited and incorporated a wholly owned subsidiary Company viz. Centrum Finverse Limited to undertake retail brokerage business of Centrum Broking Limited.

The Gross income of your Company during the period under review is Rs. 2.83 Lakh as against Rs. 779.14 for the FY 2022-23. The net loss for the year under review is Rs. 2,489.18 Lakh as against Rs. (100.20) Lakh for the FY 2022-23

TRANSFER TO RESERVES

The Company has not transferred any amount to statutory reserves during the period under review.

SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 1,50,00,00,000/-. During the year under review, there was no change in the Authorised Share Capital.

During the year under review, your Company has converted its Compulsorily Convertible Debentures (CCD) amounting to Rs. 1,50,91,430 into 50,67,703 Equity Shares of the Company. Pursuant to the said conversion, the issued subscribed and paid up capital of the Company stood at Rs. 10,40,24,645/- as on March 31, 2024.

Debt Securities

During the year under review, your Company has raised an amount of Rs. 248,19,03,674/- by issuing Secured, Unlisted, Unrated, Redeemable Non-Convertible/Market Linked Debentures.

DIVIDEND

Considering the accumulated losses of your Company, the Board have decided not to recommend any dividend for the financial year 2023-24.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

Your Company has following subsidiary companies. A Report on the performance and financial position of the subsidiary companies and the salient features of the financial statements in the prescribed form AOC-1 is annexed as **Annexure-A**.

- a. Unity Small Finance Bank Limited
- b. Ignis Capital Advisors Limited
- c. Centrum Finverse Limited

The Company did not have any associate and/ or Joint Venture Company, during the year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT

There were no material changes affecting the financial position of the Company between the end of financial year and the date of this report.

AUDITORS AND AUDITORS' REPORT

M/s. Shah & Taparia, Chartered Accountants, Mumbai having firm registration No. FRN 109463W were appointed as the Statutory Auditors of the Company for the period of three years to hold office until the conclusion of the Annual General meeting of the Company to be held for the year 2024. Pursuant to Section 141 of the Act, the Auditors have represented that they are not disqualified and continue to be eligible to act as the Auditor of the Company.

The Financial Statements along with the Statutory Auditor Report form part of the Annual Report. There are no qualifications, reservations, adverse remarks or disclaimer made by the Statutory Auditors in their report for the FY 2023-24.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. Alwyn Jay & Co., Company Secretaries, Mumbai, to undertake the Secretarial Audit of the Company for FY 2023-24. Their Report is appended herewith as **Annexure – B**.

There is no adverse remark, qualification or reservation in the said Secretarial Audit Report.

INTERNAL AUDITORS & THEIR REPORT

During the financial year, the Internal Audit of the Company was conducted by M/s. Pinnacle Global Consultancy. The reports of these internal auditors were duly deliberated, considered, reviewed or noted by the Audit Committee of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board of Directors of the Company (“Board”) is governed by the provisions of the Companies Act, 2013, RBI Regulations, any other applicable laws and the Articles of Association of the Company.

As on March 31, 2024, the Company has the following Directors and Key Managerial Personnels:

Sr. No.	Name	Designation
1.	Rishad Khushrooh Byramjee	Executive Director
2.	Subhash Gundappa Kutte	Independent Director
3.	Siddhartha Sengupta	Independent Director
4.	Ranjan Ghosh	Non-Executive Director
5.	Jaspal Singh Bindra	Non-Executive Director
6.	Deepa Poncha	Non-Executive Director
7.	Abhishek Baxi	Chief Financial Officer
8.	Archana Goyal	Company Secretary

There were following changes in the Board, during the year under review:

1. Mr. Ranjan Ghosh (DIN: 07592235) retired by rotation and being eligible offered himself for re-appointment at the AGM of the Company held on August 02, 2023.
2. Mr. Subhash Kutte (DIN: 00233322), who was appointed as an Additional Director in the capacity of Independent Director of the Company with effect from August 09, 2022, was appointed as an ‘Independent Director’ of the Company at the AGM of the Company held on August 02, 2023, for a period term of five years commencing from August 09, 2022 upto August 08, 2027.
3. Mr. Jaspal Singh Bindra (DIN: 00128320), who was appointed as an Additional Director in the capacity of ‘Non-Executive Director Non Independent Director’ of the Company with effect from March 21, 2023, was appointed as a ‘Non-Executive Non Independent Director’ of the Company, with effect from March 21, 2023, at the AGM held on August 02, 2023.
4. Ms. Deepa Poncha (DIN: 01916512), who was appointed as an Additional Director in the capacity of ‘Non-Executive Director Non Independent Director’ of Company with effect from March 21, 2023, was appointed as a ‘Non-Executive Non Independent Director’ of the Company, with effect from March 21, 2023 at the AGM of the Company held on August 02, 2023.

5. In accordance with the provisions of Section 152 of Act, Mr. Rishad Byramjee (DIN: 00164123), Executive Director of the Company shall be liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
6. Mr. Sriram Venkatasubramanian (DIN: 00169087), was appointed as an Additional Director in the capacity of 'Managing Director and Chief Executive Officer' of the Company for a period of 3 years with effect from June 01, 2024. The said appointment is subject to approval of the members at the ensuing Annual General Meeting of the Company.
7. Ms. Sunita Rajiv Handa (DIN: 08215176), was appointed as an Additional Director in the capacity of 'Independent Director' of the Company for a period of 3 years with effect from May 07, 2024 for a period of 3 years. The said appointment is subject to approval of the members at the ensuing Annual General Meeting of the Company.
8. Mr. Abhishek Baxi tendered his resignation as Company Secretary of the Company effective from May 31, 2024.
9. Ms. Archana Goyal tendered her resignation as Company Secretary of the Company effective from May 31, 2024.

The Independent Directors appointed on the Board of the Company have the highest standard of integrity, expertise, experience and proficiency.

MEETINGS OF THE BOARD AND COMMITTEES

Board Meeting: During the year under review the Board of Directors of the Company met 5 (five) times viz. May 11, 2023, August 02, 2023, September 18, 2023, November 07, 2023 and February 05, 2024. The composition of Board along with attendance details are provided below:

Sr. No.	Name	Designation	Attendance of Director
1.	Rishad Khushrooh Byramjee	Executive Director	5
2.	Subhash Gundappa Kutte	Independent Director	5
3.	Siddhartha Sengupta	Independent Director	5
4.	Ranjan Ghosh	Non-Executive Director	4
5.	Jaspal Singh Bindra	Non-Executive Director	5
6.	Deepa Poncha	Non-Executive Director	4

The interval between any two Board Meetings did not exceed 120 days during the year under review.

Committee Meeting: During the year under review, following meeting of the Committees were conducted:

1. Audit Committee: During the year under review the Audit Committee of the Company met 4 (four) times viz. May 11, 2023, August 02, 2023, November 07, 2023 and February 05, 2024. The composition of Audit Committee along with attendance details are provided below:

Sr. No.	Name of Director	Designation	Attendance of Director
1.	Mr. Siddhartha Sengupta	Independent Director	4
2.	Mr. Subhash Kutte	Independent Director	4
3.	Mr. Ranjan Ghosh	Non-Executive Director	3

2. Nomination and Remuneration Committee (NRC): During the year under review, no meeting of NRC were conducted. Following is the composition of NRC of the Company as on March 31, 2024:

Sr. No.	Name of Director	Designation
1.	Mr. Subhash Kutte	Independent Director
2.	Mr. Siddhartha Sengupta	Independent Director
3.	Ms. Deepa Poncha	Non-Executive Director

Note: During the year, the Board at its meeting held on August 02, 2024 re-constituted NRC of the Company wherein Ms. Deepa Poncha was inducted in the Committee and Mr. Ranjan Ghosh ceased to be the member of the Committee.

3. Finance Committee: During the year under review the Finance Committee of the Company met 47 (forty seven) times viz. April 20, 2023, June 01, 2023, June 06, 2023, June 28, 2023, July 07, 2023, July 14, 2023, July 21, 2023, July 28, 2023, August 04, 2023, August 11, 2023, August 23, 2023, August 31, 2023, September 08, 2023, September 14, 2023, September 20, 2023, September 25, 2023, September 28, 2023, September 30, 2023, October 06, 2023, October 12, 2023, October 18, 2023, October 25, 2023, October 31, 2023, November 10, 2023, November 17, 2023, November 24, 2023, November 24, 2023, November 30, 2023, December 01, 2023, December 08, 2023, December 15, 2023, December 22, 2023, December 29, 2023, January 12, 2024, January 19, 2024, January 25, 2024, January 31, 2024, February 02, 2024, February 03, 2024, February 09, 2024, February 16, 2024, February 23, 2024, February 29, 2024, March 07, 2024, March 15, 2024, March 21, 2024 and March 28, 2024

The composition of Finance Committee along with attendance details are provided below:

Sr. No.	Name of Director	Designation	Attendance of Director
1.	Mr. Jaspal Singh Bindra	Non-Executive Director	44
2.	Mr. Rishad Byramjee	Executive Director	47
3.	Mr. Ranjan Ghosh	Non-Executive Director	37

Note: During the year, the Board at its meeting held on August 02, 2024, re-constituted Finance Committee of the Company wherein Mr. Jaspal Singh Bindra was inducted in the Committee.

None of the Independent Directors had any pecuniary relationships or transactions with the Company during the year under review, apart from receiving sitting fees for attending board and committee meetings.

DISCLOSURE UNDER SECTION 197(14) OF THE ACT.

Mr. Rishad Byramjee has not received any remuneration including Commission from its holding Company or subsidiary Company.

INDEPENDENT DIRECTORS' MEETING

A meetings of Independent Directors was held on March 14, 2024 as per schedule IV of the Companies Act, 2013.

RISK MANAGEMENT FRAMEWORK

During the year under review, your Company was having minimum operations. Thus the Risk Management function was discharged by Board of the Company.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEE GIVEN, AND SECURITIES PROVIDED

In terms of Section 186(11) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, loans made, guarantees given or securities provided by the Company are exempted from compliance with the requirements of Section 186 of the Companies Act, 2013. Hence, there is no disclosure being made herein in this regard.

RELATED PARTY TRANSACTIONS

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Related Party Transactions Policy. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for prior approval/ratification. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature or when the need for them cannot be foreseen in advance. Particulars of the material related party transactions are disclosed in Form AOC 2 and are provided in **Annexure-C** to this report.

The Policy on Related Party Transactions is uploaded on website of the Company, viz. www.centrum.co.in

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

PARTICULARS OF DEPOSITS

The Company being a 'Non-Deposit taking Systemically Important Non-Banking Financial Company-Core Investment Company' has not accepted public deposits during the year under review and shall not accept any deposits from the public without obtaining prior approval of the RBI. Accordingly, the disclosure requirements under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

DISCLOSURES BY DIRECTORS

The Directors on the Board have submitted notice of interest under Section 184(1) and intimation under Section 164(2) during the year under review.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have submitted the declaration of Independence, as required pursuant to Section 149(7) of the Act, stating that they meet the criteria of Independence as provided in sub-section (6) of the Act and are not disqualified from continuing as Independent Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) such accounting policies have been selected and applied consistently and judgments and estimates have been made 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, 2024 and of the profit and loss of the Company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) annual accounts have been prepared on a going concern basis;
- (f) proper systems to ensure compliance with the provisions of all applicable laws was in place and the same were adequate and operating effectively.

POLICY OF THE COMPANY ON DIRECTOR'S APPOINTMENT AND REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

Pursuant to the provision of section 178 of the Companies Act, 2013, the Company follows its policy on Director's Appointment and Remuneration for Directors, Key Managerial Personnel and other Employees. The Nomination and Remuneration Policy is uploaded on the website of the Company, viz. www.centrum.co.in

PERFORMANCE EVALUATION

The Board of Directors carried out an annual evaluation of the Board, its Committees and individual Directors. The entire Board carried out performance evaluation of each Directors.

The evaluation was done after taking into consideration the inputs received from Directors, setting out parameters for evaluation. Evaluation parameters of the Board and Committees were based on Disclosure of Information, Key functions of the Board and Committees, responsibilities of the Board and Committees, etc. Evaluation parameters of individual Directors, the Board and Independent Directors were based on knowledge to perform the role, time and level of participation, performance of duties and level of oversight and professional conduct, etc. The Directors provided their responses on the questionnaire based on the said parameters. The results of the said evaluation were discussed at a Board meeting.

Independent Directors in their separate meeting also evaluated the performance of Non-Independent Directors, Chairman of the Board and the Board as a whole and appropriate action, if any, required was noted.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provision of Section 135 of the Companies Act, 2013, your Company was not required to spend any money towards Corporate Social Responsibility ("CSR") for the financial year 2023-24. Accordingly, no CSR expenditure was incurred by the Company during the F.Y. 2023-24.

VIGIL MECHANISM

The Company has a vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Companies Act, 2013. During the year under review, no instances were reported under the Whistle Blower mechanism of the Company.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Companies Act, 2013 and Rules framed thereunder.

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

In view of the nature of activities, which are being carried out by the Company, Rule 8(5) of the Companies (Accounts) Rules, 2014, concerning conservation of energy and technology absorption respectively are not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year ended March 31, 2024, there were no foreign exchange earnings and foreign exchange outgo of the Company.

HUMAN RESOURCE AND EMPLOYEE RELATIONSHIP

During the year under review, there were only 2 employees on pay roll of the Company. The Company is in process of recruiting employees and shall initiate employee engagement activities soon. Few employees who are also associated with the Group Companies are assisting in Company's operations and there were employee engagement activities carried out at Group level.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As the number of employees in the Company does not exceed 10, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company.

MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the period under review, no material orders have been passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There was no proceeding initiated / pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.

THE DETAILS OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

There was no instance of one-time settlement and valuation done while taking loan from the Bank or financial institution, during the year under review.

INTERNAL FINANCIAL CONTROL AND ADEQUACY

The internal financial controls with reference to financial statements as designed and implemented by the Company are adequate.

EXTRACT OF ANNUAL RETURN

The Annual Return of the Company as on March 31, 2024, 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

EMPLOYEES STOCK OPTION

During the year under review, the Company did not have any employee stock options scheme.

DEPOSITORY SYSTEM

The Company's Equity Shares are tradable in electronic form. As on March 31, 2024, entire Equity Paid up share Capital of the Company were in electronic form.

COST RECORDS

The provisions for maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013 are not applicable to the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

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

DEBENTURE HOLDERS RELATED INFORMATION:

- a. Registrar and Transfer Agents : **Link Intime India Private Limited**
C-101, 247 park L B Marg, Vikhroli West,
Mumbai 400 083
Tel. No. 022 -49186000
Fax No.: 022 - 49186060
Email: mumbai@linkintime.co.in

b. Address for Correspondence:

Centrum Financial Services Limited, Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai - 400098, Tel No.: 022 - 42159000; Fax No.: - 022 42159940 Email: info@centrum.co.in; cs@centrum.co.in

CORPORATE GOVERNANCE

The relevant disclosure as required pursuant to Disclosures in Financial Statements- Notes to Accounts of NBFCs dated April 19, 2022 forms part of the notes to financial statements.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transaction on these items during the financial year under review:

1. Details relating to Deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.

ACKNOWLEDGEMENTS

The Directors express their sincere gratitude to the Reserve Bank of India, Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions and the Company's bankers for the ongoing support extended by them.

The Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and trust reposed by them in your Company. The Directors sincerely appreciate the commitment displayed by the employees of the Company across all levels, resulting in successful performance during the year.

**By Order of the Board
For Centrum Financial Services Limited**

**Rishad Byramjee
Executive Director
DIN: 00164123**

**Ranjan Ghosh
Non-Executive Director
DIN: 07592235**

**Place: Mumbai
Date: May 06, 2024**

Note: Annexures D does not form a part of printed version of this report.

**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 - Summary of Financial Information of Subsidiary Company

Name of the subsidiary Company	Unity Small Finance Bank Limited	Ignis Capital Advisors Limited	Centrum Finverse Limited
Date since when subsidiary was acquired	August 25, 2021	August 17, 2021	October 03, 2023 (Date of Incorporation)
Reporting Currency	Rupees (in Lakh)	Rupees (in Lakh)	Rupees (in Lakh)
Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2023 to 31/03/2024 (Same as Holding Company)	01/04/2023 to 31/03/2024 (Same as Holding Company)	01/04/2023 to 31/03/2024 (Same as Holding Company)
Exchange Rate	-		
Paid up Equity Share Capital	70,490.20	488.33	125.00
Paid up Preference Share Capital	15,603.73	-	-
Reserves of the Subsidiary	104,677.23	23.42	(39.05)
Total Assets of the subsidiary	1,448,136.97	586.39	88.74
Total Liabilities of the subsidiary	1,272,969.54	74.64	2.79
Investments	388,362	-	-
Total Turnover	157,537	254.46	-
Profit/ (Loss) before Taxation	1,780	7.60	(27.33)
Provision for taxation	(2,281)	(1.78)	
Other Comprehensive income (Net of Taxes)	(51.22)	1.88	
Profit/ (Loss) after Taxation	4,010	11.26	(27.33)
Proposed Dividend	0%	0%	0%
% of Holding (Note1)	51.00%	100.00%	100.00%

Note:

1. %age of holding is of immediate Holding Company.
2. The Paid up Preference Share Capital of Unity Small Finance Bank Limited includes 2,24,84,97,076 Perpetual Non- Cumulative Preference shares amounting to Rs. 10 each issued in line with the Punjab and Maharashtra Co-operative Bank Limited(Amalgamation with Unity Small Finance Bank Limited) Scheme, 2022. The PNCPS have been valued on present value basis.

BY ORDER OF THE BOARD

For Centrum Financial Services Limited

Rishad Byramjee
Executive Director
DIN: 00164123

Ranjan Ghosh
Non-Executive Director
DIN: 07592235

Place: Mumbai

Date: May 06, 2024

Annexure -B
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Centrum Financial Services Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Centrum Financial Services Limited** (CIN: U65910MH1993PLC192085) (hereinafter called “the Company”).

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024**, complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2024** in accordance with the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **as applicable**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), **as amended from time to time** -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable to the Company**;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable to the Company**;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company**;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable to the Company**;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not applicable to the Company**;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable to the Company**;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company**;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company**;
 - i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 - **Not Applicable to the Company**;

- (vi) Other specific business/industry related laws applicable to the Company - The Company has complied with the Reserve Company of India Act, 1934, Non-Banking Financial Company Systematically Important Non-Deposit taking Company (Reserve Company) Directions, 2016, Non-Banking Financial Companies Auditor's Report (Reserve Company) Directions, 2016, Non-Banking Financial Company Returns (Reserve Company) Directions, 2016 and the other applicable general laws, rules, regulations and guidelines.

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not Applicable to the Company.**

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors including a 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 requirements of the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The minutes of the Board meetings and Committee Meetings have not identified any dissent by members of the Board /Committee of the Board respectively hence we have no reason to believe that the decisions by the Board were not approved by all the directors/members present. The Minutes of the Board meetings and Committee

meetings were duly approved at the meeting by the Chairman of the meeting.

We further report that, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period the following events / actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. Approval of the Board of Directors of the Company was obtained at the Meeting held on 11th May, 2023 for raising funds through issuance of Non-Convertible Debentures of the Company of an amount not exceeding Rs.500 Crores during the financial year 2023-24.
2. Approval of the Board of Directors of the Company was obtained at the Meeting held on 18th September, 2023 to make an initial investment of upto Rs.1 Lac which may go upto Rs.10 Crores from time to time in the proposed Subsidiary company viz. Centrum Finverse Limited.
3. During the year under review, Ignis Capital Advisors Limited has become the Wholly Owned Subsidiary of the Company pursuant to the investment made by the Company in Ignis Capital Advisors Limited during the financial year 2023-24.
4. Approval of the Board of Directors of the Company was obtained at the Meeting held on 5th February, 2024 for the investment of upto 11,80,000 Equity Shares of Rs.10 each in Centrum wealth Limited.
5. Approval of the Shareholders was obtained at the Extra Ordinary General Meeting held on 5th June, 2023 to create, offer, issue and allot, by issue of any securities, on private placement or preferential allotment basis or through other modes, for cash or for consideration other than cash, in one or more tranches, of an amount not exceeding Rs. 500 Crores.

6. During the year under review, the Company allotted 9,837 Secured, Unlisted, Unrated, Redeemable, Market Linked Debentures of face value Rs. 1,00,000/- each in various tranches and at various dates from time to time, based on the applications accepted and allotted by the Finance Committee of the Company.
7. During the year under review, the Company allotted 14,911 Secured, Unlisted, Unrated, Redeemable, Non-Convertible Debentures of face value Rs. 1,00,000/- each in various tranches and at various dates from time to time, based on the applications accepted and allotted by the Finance Committee of the Company.
8. During the year under review, the Company allotted 50,67,703 Equity Shares of Rs.10/- each consequent to the Conversion of 1,50,91,430 Unrated, Unlisted, Unsecured, Compulsorily Convertible Debentures of the Company.

Place : Mumbai

ALWYN JAY & Co.

Date : 6th May, 2024

Company Secretaries

Office Address :

[Jay D'Souza FCS.3058]

Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

(Partner)
[Certificate of Practice No.6915]
[UDIN : F003058F000318472]

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To
The Members,
Centrum Financial Services Limited

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **Centrum Financial Services Limited** (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further part of the verification was done on the basis of electronic data provided to us by the Company and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai

Date : 6th May, 2024

ALWYN JAY & Co.

Company Secretaries

Office Address :

Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

[Jay D'Souza FCS.3058]

(Partner)

[Certificate of Practice No.6915]

[UDIN : F003058F000318472]

ANNEXURE -C

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: Not Application
2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details	Details
1	Name (s) of the related party & nature of relationship	Centrum Broking Limited, Subsidiary of parent holding Company	Centrum Investment Advisors Limited, Subsidiary of parent holding Company
2	Nature of contracts/ arrangements/ transaction	Depository Participant charges	Commission on issuance of NCD/ MLD Issue
3	Duration of the contracts/arrangements/ transaction	1 year	1 year
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Depository Participant charges paid to Centrum Broking limited for maintaining Demat account of the Company	Commission paid for raising the funds by issuance of Secured, Unlisted, unrated, redeemable Non-Convertible/Market Linked Debentures of the Company
5	Date of approval by the Board	February 08, 2023	May 11, 2023
6	Amount paid as advances, if any	NA	NA

**By Order of the Board
For Centrum Financial Services Limited**

**Rishad Byramjee
Executive Director
DIN: 00164123**

**Ranjan Ghosh
Non-Executive Director
DIN: 07592235**

**Place: Mumbai
Date: May 06, 2024**

Annexure -B
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Centrum Financial Services Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Centrum Financial Services Limited** (CIN: U65910MH1993PLC192085) (hereinafter called “the Company”).

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024**, complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2024** in accordance with the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **as applicable**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), **as amended from time to time** -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable to the Company**;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable to the Company**;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company**;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable to the Company**;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not applicable to the Company**;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable to the Company**;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company**;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company**;
 - i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 - **Not Applicable to the Company**;

- (vi) Other specific business/industry related laws applicable to the Company - The Company has complied with the Reserve Company of India Act, 1934, Non-Banking Financial Company Systematically Important Non-Deposit taking Company (Reserve Company) Directions, 2016, Non-Banking Financial Companies Auditor's Report (Reserve Company) Directions, 2016, Non-Banking Financial Company Returns (Reserve Company) Directions, 2016 and the other applicable general laws, rules, regulations and guidelines.

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not Applicable to the Company.**

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors including a 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 requirements of the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The minutes of the Board meetings and Committee Meetings have not identified any dissent by members of the Board /Committee of the Board respectively hence we have no reason to believe that the decisions by the Board were not approved by all the directors/members present. The Minutes of the Board meetings and Committee

meetings were duly approved at the meeting by the Chairman of the meeting.

We further report that, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period the following events / actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. Approval of the Board of Directors of the Company was obtained at the Meeting held on 11th May, 2023 for raising funds through issuance of Non-Convertible Debentures of the Company of an amount not exceeding Rs.500 Crores during the financial year 2023-24.
2. Approval of the Board of Directors of the Company was obtained at the Meeting held on 18th September, 2023 to make an initial investment of upto Rs.1 Lac which may go upto Rs.10 Crores from time to time in the proposed Subsidiary company viz. Centrum Finverse Limited.
3. During the year under review, Ignis Capital Advisors Limited has become the Wholly Owned Subsidiary of the Company pursuant to the investment made by the Company in Ignis Capital Advisors Limited during the financial year 2023-24.
4. Approval of the Board of Directors of the Company was obtained at the Meeting held on 5th February, 2024 for the investment of upto 11,80,000 Equity Shares of Rs.10 each in Centrum wealth Limited.
5. Approval of the Shareholders was obtained at the Extra Ordinary General Meeting held on 5th June, 2023 to create, offer, issue and allot, by issue of any securities, on private placement or preferential allotment basis or through other modes, for cash or for consideration other than cash, in one or more tranches, of an amount not exceeding Rs. 500 Crores.

6. During the year under review, the Company allotted 9,837 Secured, Unlisted, Unrated, Redeemable, Market Linked Debentures of face value Rs. 1,00,000/- each in various tranches and at various dates from time to time, based on the applications accepted and allotted by the Finance Committee of the Company.
7. During the year under review, the Company allotted 14,911 Secured, Unlisted, Unrated, Redeemable, Non-Convertible Debentures of face value Rs. 1,00,000/- each in various tranches and at various dates from time to time, based on the applications accepted and allotted by the Finance Committee of the Company.
8. During the year under review, the Company allotted 50,67,703 Equity Shares of Rs.10/- each consequent to the Conversion of 1,50,91,430 Unrated, Unlisted, Unsecured, Compulsorily Convertible Debentures of the Company.

Place : Mumbai

ALWYN JAY & Co.

Date : 6th May, 2024

Company Secretaries

Office Address :

[Jay D'Souza FCS.3058]

Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

(Partner)

[Certificate of Practice No.6915]

[UDIN : F003058F000318472]

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To
The Members,
Centrum Financial Services Limited

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **Centrum Financial Services Limited** (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further part of the verification was done on the basis of electronic data provided to us by the Company and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai

Date : 6th May, 2024

ALWYN JAY & Co.

Company Secretaries

Office Address :

Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

[Jay D'Souza FCS.3058]

(Partner)

[Certificate of Practice No.6915]

[UDIN : F003058F000318472]

ANNEXURE -C

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: Not Application
2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details	Details
1	Name (s) of the related party & nature of relationship	Centrum Broking Limited, Subsidiary of parent holding Company	Centrum Investment Advisors Limited, Subsidiary of parent holding Company
2	Nature of contracts/ arrangements/ transaction	Depository Participant charges	Commission on issuance of NCD/ MLD Issue
3	Duration of the contracts/arrangements/ transaction	1 year	1 year
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Depository Participant charges paid to Centrum Broking limited for maintaining Demat account of the Company	Commission paid for raising the funds by issuance of Secured, Unlisted, unrated, redeemable Non-Convertible/Market Linked Debentures of the Company
5	Date of approval by the Board	February 08, 2023	May 11, 2023
6	Amount paid as advances, if any	NA	NA

**By Order of the Board
For Centrum Financial Services Limited**

**Rishad Byramjee
Executive Director
DIN: 00164123**

**Ranjan Ghosh
Non-Executive Director
DIN: 07592235**

**Place: Mumbai
Date: May 06, 2024**

INDEPENDENT AUDITOR'S REPORT

To the Members of Centrum Financial Services Limited

Report on the Audit of the IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of Centrum Financial Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024 the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements")

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

Basis for Opinion

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

Key Audit Matters

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

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

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

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

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

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

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

Responsibility of Management and Those Charged with Governance for the IND AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these IND AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and

presentation of the IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the IND AS Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

Narottam Shah
Partner
Membership Number: 106355
UDIN: 24106355BKGFFZ9008

Date: May 06, 2024
Place: Mumbai

Annexure A referred to in the Independent Auditors Report

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

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

vii.

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

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

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

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

*Net of taxes paid

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

ix.

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

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

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

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

xiv.

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

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

xvi.

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

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

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

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

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

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

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

Narottam Shah
Partner
Membership Number: 106355
UDIN: 24106355BKGFFZ9008

Date: May 06, 2024
Place: Mumbai

Annexure B referred to in the Independent Auditors Report

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

We have audited the internal financial controls with reference to IND AS financial statements of Centrum Financial Services Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

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

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;
- and

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

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

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

Opinion

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

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

Narottam Shah
Partner
Membership Number: 106355
UDIN: 24106355BKGFFZ9008

Date: May 06, 2024
Place: Mumbai

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

(₹ in lakh)

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

Notes

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

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

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

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

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

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

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

Mumbai
Date : May 6, 2024

Abhishek Baxi
Chief Financial Officer

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

(Currency : Indian Rupees in lakhs)

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

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

1 & 2

As per our report of even date

For **SHAH & TAPARIA**

Chartered Accountants

ICAI Firm Registration No.109463W

Narottam Shah

Partner

Membership No.106355

Mumbai

Date : May 6, 2024

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

Executive Director

DIN : 00164123

Ranjan Ghosh

Non - Executive Director

DIN : 07592235

Abhishek Baxi

Chief Financial Officer

Archana Goyal

Company Secretary

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

(Currency : Indian Rupees in lakhs)

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

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

1 & 2

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

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

Narottam Shah
Partner
MembershipNo.106355

Rishad Byramjee
Executive Director
DIN : 00164123

Ranjan Ghosh
Non - Executive Director
DIN : 07592235

Abhishek Baxi
Chief Financial Officer

Archana Goyal
Company Secretary

Mumbai
Date : May 6, 2024

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

(Currency : Indian Rupees in lakhs)

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

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

(Currency : Indian Rupees in lakhs)

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

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

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

As per our report of even date

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

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

Narottam Shah
Partner
Membership No 106355

Rishad Byramjee
Executive Director
DIN : 00164123

Ranjan Ghosh
Non - Executive Director
DIN : 07592235

Date : May 6, 2024
Mumbai

Abhishek Baxi
Chief Financial Officer

Archana Goyal
Company Secretary

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

(Currency : Indian Rupees in lakhs)

A. Equity Share Capital

As at 31 March 2024

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

As at 31 March 2023

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

B. Other Equity

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

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

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

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

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

Narottam Shah
Partner
Membership No 106355

Rishad Byramjee
Executive Director
DIN : 00164123

Ranjan Ghosh
Non - Executive Director
DIN : 07592235

Mumbai
Date : May 6, 2024

Abhishek Baxi
Chief Financial Officer

Archana Goyal
Company Secretary

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

(Currency : Indian Rupees in lakhs)

1. Background

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

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

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

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

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

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

2.1.b Basis of preparation

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

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

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

2.1.c Presentation of financial statements

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

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

2.1.d Impairment of non-financial assets

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

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

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

Centrum Financial Services Limited

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

(Currency : Indian Rupees in lakhs)

2.1.e Revenue recognition

Interest income

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

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

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

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

Dividend income

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

Syndication fees

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

Fees and commission income

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

Rental income

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

Net Gain/Loss on fair value changes

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

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

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

Other operational revenue

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

Other income and expenses

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

2.1.f Financial instruments

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

Initial recognition and measurement

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

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

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

(Currency : Indian Rupees in lakhs)

Financial assets

Classification and subsequent measurement

Financial assets are classified into three categories:

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

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

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

For equity instruments, classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The classification requirements of financial assets are described below:

Debt instruments

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

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

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

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

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

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

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

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

Equity instruments

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

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

(Currency : Indian Rupees in lakhs)

Impairment of financial assets

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

The measurement of ECL reflects:

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

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

Write-off policy

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

Financial liabilities

Classification and subsequent measurement

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

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

Derecognition of financial liabilities

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

Reclassification of financial instrument

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

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

Derivatives

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

Embedded derivatives

The embedded derivatives are treated as separate derivatives when:

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

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

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

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

Debt securities and other borrowed funds

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

Financial guarantees

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

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

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

(Currency : Indian Rupees in lakhs)

2.1.g Fair value measurement

The Company measures financial instruments, such as investments and derivatives at fair values at each Balance Sheet date.

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

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

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

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

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

2.1.h Cash and cash equivalents

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

2.1.i Borrowing Costs

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

2.1.j Retirement and other employee benefits

Defined Contribution Plan

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

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

(Currency : Indian Rupees in lakhs)

2.1.k Income tax

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

Current tax

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

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit.

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

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

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

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

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

2.1.l Provisions, contingent liabilities and contingent assets

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

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

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

2.1.m Earnings per share

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

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

2.1.n Employee stock option scheme (ESOP)

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

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

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

(Currency : Indian Rupees in lakhs)

2.2 Significant accounting judgments, estimates and assumptions

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

2.2.b Judgments

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

• Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/judgments about these factors could affect the reported fair value of financial instruments. For further details about determination of fair value refer note 42A.

• Impairment of financial assets using the expected credit loss method

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

• Business model assessment

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

• Income taxes

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

• Provisions and contingencies

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

• Employee stock option scheme (ESOP)

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

2.2.c Assumptions and estimates

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

• Retirement and other employee benefits

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

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

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

• Effective interest rate

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

2.3 Recent accounting pronouncements

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

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

(Currency : Indian Rupees in lakhs)

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

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

4. Bank balances other than cash and cash equivalents

Other Bank balances

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

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

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

(Currency : Indian Rupees in lakhs)

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

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

(Currency : Indian Rupees in lakhs)

8. Derivative financial instruments

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

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

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

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

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

(Currency : Indian Rupees in lakhs)

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

Note:

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

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

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

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

10.2 Terms of Compulsory Convertible Debentures (CCD)

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

ii) Conversion Event:

The earlier of:

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

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

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

iii) **Terms of Repayment**

Compulsorily Convertible Debentures - privately placed

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

Centrum Financial Services Limited

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

(Currency : Indian Rupees in lakhs)

10 Debt securities - (Continued)

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

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

Note:

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

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

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

Note:

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

Centrum Financial Services Limited

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

(Currency : Indian Rupees in lakhs)

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

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

(Currency : Indian Rupees in lakhs)

14. Equity share capital

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

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

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

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

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

c) Terms/rights attached to equity shares:

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

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

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

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

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

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

e) Details of shares held by Promoters

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

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

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

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

(Currency : Indian Rupees in lakhs)

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

A. Nature and purpose of reserves

a. Securities premium reserve

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

b. Statutory reserve

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

c. Employee stock options

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

d. Retained Earnings

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

e. Capital contribution

Capital contribution represents the indirect equity contribution by the Parent.

B. Movement in Other equity

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

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

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

Centrum Financial Services Limited

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

(Currency : Indian Rupees in lakhs)

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

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

(Currency : Indian Rupees in lakhs)

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

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

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

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

(Currency : Indian Rupees in lakhs)

23. Commitments and contingencies

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

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

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

25. Corporate Social Responsibility (CSR)

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

26. Dues to Micro, Small Enterprises

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

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

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

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

27. Segment Reporting

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

Centrum Financial Services Limited

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

(Currency : Indian Rupees in lakhs)

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

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

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

** including accrued interest

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

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

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

** including accrued interest

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

28. Fair Value Measurement (Continued)

28.B Fair value hierarchy of financial instruments

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

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

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

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

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

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

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

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

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

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

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

Off-balance sheet positions

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

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

(Currency : Indian Rupees in lakhs)

29. Maturity analysis of assets and liabilities

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

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

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

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

(Currency : Indian Rupees in lakhs)

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

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

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

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

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

29.B.2 a) Credit risk management

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

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

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

i) Credit risk management

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

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

(Currency : Indian Rupees in lakhs)

Definition of Default

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

ii) Provision for expected credit losses

The Company provides for expected credit loss based on following:

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

Cash and cash equivalents

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

Measurement of Expected Credit Losses

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

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

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

(Currency : Indian Rupees in lakhs)

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

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

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

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

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

Probability of Default (PD)

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

Loss Given Default (LGD)

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

Exposure at default (EAD)

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

Macroeconomic Scenarios

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

iii) Reconciliation of loss allowance provision

For loans - NA

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

(Currency : Indian Rupees in lakhs)

Write-offs still under enforcement

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

Significant increase in credit risk

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

29.B.3 b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Financing arrangements

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

As at March 31

Particulars

2024

2023

Undrawn borrowing facilities

-

-

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

As at March 31, 2024

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

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

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

(Currency : Indian Rupees in lakhs)

As at March 31, 2023

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

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

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

(Currency : Indian Rupees in lakhs)

29.B.4 c. Market risk

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

i) Price risk

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

ii) Currency risk

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

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

iii) Interest rate risk

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

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

Exposure to interest rate risk

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

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

Sensitivity

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

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

* Holding all other variables constant

Fair value sensitivity analysis for fixed rate instruments

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

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

(Currency : Indian Rupees in lakhs)

30. Capital Management

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

The pillars of its policy are as follows:

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

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

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

Regulatory capital

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

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

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

31. Changes in liabilities arising from financing activities

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

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

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

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

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

32. Transferred financial assets

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

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

33. Foreign exchange earnings/outflow

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

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

(Currency : Indian Rupees in lakhs)

34 Disclosures to be made in the Annual Financial Statements:

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

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

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

33.2 Break-up of Investments:

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

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

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

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

(Currency : Indian Rupees in lakhs)

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

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

33.5 Other information

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

33.6 Components of ANW and other related information

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

33.7 Investment in Other CICs

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

33.8 Off-Balance Sheet Exposure

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

33.9 Investments

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

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

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

as on 31 March 2023

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

33.11 Business Ratios

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

33.12 Provisions and Contingencies

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

33.13 Concentration of NPAs

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

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

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

Notes:

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

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

(Currency : Indian Rupees in lakhs)

33.15 A) Related Party Disclosure (Amount in ₹ crore)

Related Party Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel [@]		Relatives of Key Management Personnel [@]		Others*		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Borrowings	5.00	174.84	163.33	-	-	-	-	-	2.00	-	-	-	170.34	174.84
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	536.16	360.90	-	110.00	-	-	-	-	-	-	536.16	470.90
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	13.14	8.11	0.49	-	-	-	-	-	-	-	-	-	13.63	8.11
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	10.62	-	-	-	-	-	-	-	-	-	10.62	-

Centrum Financial Services Limited
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(Currency : Indian Rupees in lakhs)

33.16 Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Customer complaints	For the year ended	For the year ended
		March 31, 2024	March 31, 2023
	Complaints received by the NBFC from its customers		
1	No. of complaints pending at the beginning of the year	Nil	Nil
2	No. of complaints received during the year	Nil*	Nil
3	No. of complaints redressed during the year	Nil	Nil
	3.1 Of which, number of complaints rejected by the NBFC		
4	No. of complaints pending at the end of the year	Nil	Nil
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5.*	Number of maintainable complaints received by the NBFC from Office of Ombudsman		
	5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	Nil	Nil
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	Nil	Nil
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)		

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

*CFSL is in receipt of few complaints on its RBI-CMS portal which were pertaining to Unity Small Finance Bank Limited (subsidiary of CFSL), Centrum Housing Finance Limited (a Centrum group entity) and Resilient Innovations Private Limited (Shareholder of Unity Small Finance Bank Limited. Since, none of the complaints received on the portal were pertaining to CFSL, NIL complaints are being reported under this section.

INTERNAL

2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
	Current Year				
Ground - 1	NIL	NIL	-	NIL	NIL
Ground - 2	NIL	NIL	-	NIL	NIL
Ground - 3	NIL	NIL	-	NIL	NIL
Ground - 4	NIL	NIL	-	NIL	NIL
Ground - 5	NIL	NIL	-	NIL	NIL
Others	NIL	NIL	-	NIL	NIL
Total	NIL	NIL	-	NIL	NIL
	Previous Year				
Ground - 1	NIL	NIL	-	NIL	NIL
Ground - 2	NIL	NIL	-	NIL	NIL
Ground - 3	NIL	NIL	-	NIL	NIL
Ground - 4	NIL	NIL	-	NIL	NIL
Ground - 5	NIL	NIL	-	NIL	NIL
Others	NIL	NIL	-	NIL	NIL
Total	NIL	NIL	-	NIL	NIL

INTERNAL

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

(Currency : Indian Rupees in lakhs)

33.17 AUDIT COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Siddhartha Sengupta	14-05-2020	Independent Director, Chairperson of Committee	4	4	NIL
2.	Subhash Kutte	21-10-2022	Independent Director, Member of Committee	4	4	NIL
3.	Ranjan Ghosh	21-10-2022	Non-Executive Director, Member of Committee	4	3	NIL

* 4 meetings of the Audit Committee were held during the year ended March 31, 2024. The no of meetings held for each member denotes the no. of meetings held post their appointment in the Committee.

NOMINATION & REMUNERATION COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Subhash Kutte	21-10-2022	Independent Director, Chairperson of Committee	NIL	NA	NIL
2.	Siddharth Sengupta	21-10-2022	Independent Director, Member of Committee	NIL	NA	NIL
3.	Deepa Poncha	02-08-2023	Non-Executive Director, Member of Committee	NIL	NA	NIL

* No meeting of the Nomination & Remuneration Committee was held during the year ended March 31, 2024

FINANCE COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Ranjan Ghosh	23-08-2019	Non-Executive Director	47	44	NIL
2.	Rishad Byramjee	08-02-2022	Executive Director	47	47	NIL
3.	Jaspal Singh Bindra	02-08-2023	Non-Executive Director	39	37	NIL

* 47 meetings of the Finance Committee were held during the year ended March 31, 2024. The no of meetings held for each member denotes the no. of meetings held post their appointment in the Committee.

3) General Body Meetings :

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	Extra-Ordinary General meeting	05-06-2023 at CENTRUM HOUSE, C.S.T. ROAD, VIDYANAGARI MARG, KALINA, SANTACRUZ (EAST), MUMBAI – 400 098	TO APPROVE ISSUANCE OF SECURITIES IN ONE OR MORE TRANCHES
2	Annual General Meeting	02-08-2023 at CENTRUM HOUSE, C.S.T. ROAD, VIDYANAGARI MARG, KALINA, SANTACRUZ (EAST), MUMBAI – 400 098	None

4) Details of non-compliance with requirements of Companies Act, 2013

Give details and reasons of any default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.- NIL

5) Details of penalties and strictures

NBFCs should disclose details of penalties or stricture imposed on it by the Reserve Bank or any other statutory authority.: NIL

Centrum Financial Services Limited
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(Currency : Indian Rupees in lakhs)

33.17 A) Disclosures on Corporate governance

1) Composition of the Board

Sr. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships	Remuneration			No. of shares held in and convertible instruments held in the NBFC	Remark
					Held*	Attended		Salary and other compensation	Sitting Fee	Commission		
1	Rishad Khushrooh Byramjee	24-12-2002	Executive Director	00164123	5	5	14	12	0	0	NIL	
2	Subhash Gundappa Kutte	09-08-2022	Independent Director	00233322	5	5	6	0	4.2	0	NIL	
3	Siddhartha Sengupta	14-05-2020	Independent Director	08467648	5	5	8	0	4.2	0	NIL	
4	Ranjan Ghosh	17-08-2016	Non-Executive Director	07592235	5	4	1	0	0	0	NIL	
5	Jaspal Singh Bindra	21-03-2023	Non-Executive Director	00128320	5	5	7	0	0	0	NIL	
6	Deepa Poncha	21-03-2023	Non-Executive Director	01916512	5	4	3	0	0	0	NIL	

* 5 Board meetings was held during the year ended March 31, 2024. The no of meetings held for each director denotes the no. of meetings held post their appointment.
Details of change in composition of the Board during the current and previous financial year.- No change in the financial year 2023-24

2) Committees of the Board and their composition

- Mention the names of the committees of the Board.- 1) Audit Committee 2) Nomination & Remuneration Committee 3) Finance Committee
- For each committee, mention the summarized terms of reference and provide the following details.

The terms of reference of the Committee is as follows:

The role, scope and terms of reference of the Audit Committee is as defined under the applicable provisions of the Companies Act, 2013 as amended from time to time

The role, scope and terms of reference of the Nomination & Remuneration Committee under the applicable provisions of the Companies Act, 2013 as amended from time to time

The terms and reference of Finance Committee is enclosed.

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

(Currency : Indian Rupees in lakhs)

33.17 A) Disclosures on Corporate governance (Previous year)

1) Composition of the Board

Sr. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships	Remuneration			No. of shares held in and convertible instruments held in the NBFC	Remark
					Held*	Attended		Salary and other compensation	Sitting Fee	Commission		
1	Rishad Khushrooh Byramjee	24-12-2002	Executive Director	164123	7	3	15	6.5	0	0	NIL	
2	Subhash Gundappa Kutte	09-08-2022	Independent Director	233322	4	4	6	0	2.7	0	NIL	
3	Siddhartha Sengupta	14-05-2020	Independent Director	8467648	7	5	6	0	4.2	0	NIL	
4	Ranjan Ghosh	17-08-2016	Non-Executive Director	7592235	7	7	3	0	0	0	NIL	
5	Jaspal Singh Bindra	21-03-2023	Non-Executive Director	128320	NIL	NIL	7	0	0	0	NIL	
6	Deepa Poncha	21-03-2023	Non-Executive Director	1916512	NIL	NIL	3	0	0	0	NIL	
7	Dipali Seth	16-05-2018	Independent Director	7556685	3	3	6	0	1.8	0	NIL	Resigned wef Sep 05, 2022
8	G. S. Sundararajan	12-10-2017	Independent Director	361030	5	4	4	0	3.3	0	NIL	Resigned wef Oct 21, 2022
9	Shailendra Apte	29-09-2015	Non-Executive Director	17814	6	6	6	0	0	0	1 (Nominee of Centrum Capital Limited)	Resigned wef Feb 09, 2023

* 7 Board meetings was held during the year ended March 31, 2023. The no. of meetings held for each director denotes the no. of meetings held post their appointment.

Details of change in composition of the Board during the current and previous financial year.

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Ranjan Ghosh	Non-Executive Director	Change in designation from Managing Director & CEO to Non-Executive Director	21-10-2022
2	Rishad Byramjee	Executive Director	Change in designation from Non-Executive Director to Executive Director	16-09-2022
3	Dipali Seth	Independent Director	Resigned from services of Company as she has accepted a full time role elsewhere and the time commitments and demands of the new role is not	05-09-2022
4	G. S. Sundararajan	Independent Director	Resigned due to his preoccupation	21-10-2022
5	Jaspal Singh Bindra	Non-Executive Director	Appointment	21-03-2023
6	Deepa Poncha	Non-Executive Director	Appointment	21-03-2023
7	Subhash Kutte	Independent Director	Appointment	09-08-2022
8	Shailendra Apte	Non-Executive Director	Resignation due to pre-occupation	09-02-2023

2) Committees of the Board and their composition

- Mention the names of the committees of the Board.- 1) Audit Committee 2) Nomination & Remuneration Committee 3) Finance Committee
- For each committee, mention the summarized terms of reference and provide the following details.

The terms of reference of the Committee is as follows:

The role, scope and terms of reference of the Audit Committee is as defined under the applicable provisions of the Companies Act, 2013 as amended from time to time

The role, scope and terms of reference of the Nomination & Remuneration Committee under the applicable provisions of the Companies Act, 2013 as amended from time to time

The terms and reference of Finance Committee is enclosed.

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

(Currency : Indian Rupees in lakhs)

For previous year

AUDIT COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Siddhartha Sengupta	14-05-2020	Independent Director, Chairperson of Committee	4	4	NIL
2.	Subhash Kutte	21-10-2022	Independent Director, Member of Committee	1	1	NIL
3.	Ranjan Ghosh	21-10-2022	Non-Executive Director, Member of Committee	1	1	NIL

* 4 meetings of the Audit Committee were held during the year ended March 31, 2023. The no of meetings held for each member denotes the no. of meetings held post their appointment in the Committee.

NOMINATION & REMUNERATION COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Subhash Kutte	21-10-2022	Independent Director, Chairperson of Committee	NIL	NA	NIL
2.	Siddharth Sengupta	21-10-2022	Independent Director, Member of Committee	NIL	NA	NIL
3.	Ranjan Ghosh	21-10-2022	Non-Executive Director, Member of Committee	NIL	NA	NIL

* No meeting of the Nomination & Remuneration Committee was held during the year ended March 31, 2023

FINANCE COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Ranjan Ghosh	23-08-2019	Non-Executive Director, Chairperson of Committee	3	3	NIL
2.	Rishad Byramjee	08-02-2022	Executive Director, Member of Committee	1	1	NIL

* 3 meetings of the Finance Committee were held during the year ended March 31, 2023. The no of meetings held for each member denotes the no. of meetings held post their appointment in the Committee.

3) General Body Meetings :

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	Annual General meeting	08-08-2022 at CENTRUM HOUSE, C.S.T. ROAD, VIDYANAGARI MARG, KALINA, SANTACRUZ (EAST), MUMBAI – 400 098	Approving re-appointment of Mr. Ranjan Ghosh (DIN: 07592235) as Managing Director & CEO of the Company
2	Extra-Ordinary General meeting	06-03-2023 at CENTRUM HOUSE, C.S.T. ROAD, VIDYANAGARI MARG, KALINA, SANTACRUZ (EAST), MUMBAI – 400 098	Change in Object clause of the Memorandum of Association of the Company

4) Details of non-compliance with requirements of Companies Act, 2013

Give details and reasons of any default in compliance with the requirements of Companies Act, 2013, including with respect to compliance accounting and secretarial standards.- NIL

5) Details of penalties and strictures

NBFCs should disclose details of penalties or stricture imposed on it by the Reserve Bank or any other statutory authority.: NIL

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

(Currency : Indian Rupees)

35. Related Party Disclosure

As per the requirement of Ind AS 24, on related party disclosures, the name of the related parties with the description of the relationship and transactions between the reporting enterprise and its related parties, as identified by the management are as follows :

35.1 List of related parties

Nature of relationship	Name of the party
Holding company	Centrum Capital Limited
List of Subsidiary/ holding/ Associate/ subsidiary of a holding company as per 2(76)(viii)	Centrum Capital Limited IGNIS Capital Advisors Limited Unity Small Finance Bank Limited Centrum Finverse Limited Centrum Retail Services Limited Centrum Wealth Limited Centrum Insurance Brokers Limited Centrum Investment Advisory Limited Centrum Broking Limited CCIL Investment Management Limited(ceased to be fellow subsidiary wef November 17, 2023) Centrum Capital International Limited (ceased to be fellow subsidiary wef November 17, 2023) CCAL Investment Managers Limited Centrum Alternatives LLP Centrum Capital Advisors Limited Centrum International Services PTE Limited (ceased to be fellow subsidiary wef November 17, 2023) Modulus Alternatives Investment Managers Limited Centrum Housing Finance Limited
Key management personnel (KMP)	Rishad K. Byramjee (Executive Director) Abhishek Baxi (CFO) Archana Goyal (CS)

35.2 Transactions with Related parties during the year

No.	Nature of Transaction	Name of Party	For the year ended 31 March,	
			2024	2023
1	Loans given	Centrum Finverse Limited	12.00	
2	Loan repayment	Centrum Finverse Limited	12.00	
3	Loan taken	Centrum Capital Limited IGNIS Capital Advisors Limited	5,327.00 500.00	16,598.00
4	Loan repayment	Centrum Capital Limited	21,302.00	5,492.00
5	Insurance premium Reimbursement	Centrum Capital Limited	-	0.98
6	Rent income	Centrum Capital Limited (Erstwhile-Centrum Microcredit Ltd) Centrum Retail Services Limited Centrum Wealth Limited	- - -	- - -

No.	Nature of Transaction	Name of Party	For the year ended 31 March,	
			2024	2023
6	Interest income	Centrum Finverse Limited	0.06	
7	Interest expenses	Centrum Capital Limited(CCD)	31.01	-
		Centrum Capital Limited(ICD)	1,283.17	811.20
		IGNIS Capital Advisors Limited(ICD)	49.02	
8	Commission and brokerage expenses	Centrum Broking Limited	0.00	0.13
9	Director Sitting Fees			
		Siddharth Sengupta	4.20	4.20
		Subhash Kutte	4.20	2.70
10	Managerial remuneration	Rishad Khushrooh Byramjee	12.00	6.50
11	IT Refund transeferred	Unity Small Finance Bank Limited		517.07
12	Investment			
		Ignis Capital Advisors Limited	500.00	-
		Unity Small Finance bank Limited(Equity Shares)	-	-
		Unity Small Finance bank Limited(Equity Shares)	-	-
		Unity Small Finance bank Limited(Share Warrants)	-	-
		Centrum Retail Services Limited(CWL shares purchased)	-	11,000.00
		Centrum Finverse Limited (Equity Shares)	125.00	
		Centrum Capital Limited (IGNIS shares purchased)	1.04	
		JBCG Advisory Services Private Limited (CWL shares purchas	5,900.00	
			-	
13	Investment Sold	JBCG Advisory Services Private Limited	-	800.00
			-	
14	CCD Conversion into Equity	Centrum Capital Limited	1,509.14	
			-	
15	Subscription of NCD / MLD Issued			
		Centrum Wealth Limited	16,333.43	
		JAKARI DEVELOPERS PRIVATE LIMITED	100.00	
		MAHAKHURSHID K BYRAMJEE & RISHAD BYRAMJEE	100.44	
16	Commission Paid on NCD / MLD Issue	Centrum Investment Advisors Limited	1,061.66	
35.3	Balances with Related parties as at year end			
No.	Nature of Transaction	Name of Party	As at March 31,	
			2024	2023
1	Margin balance with broker	Centrum Broking Limited	-	-
2	Other financial liability	Centrum Capital Limited	-	15,975.00
		IGNIS Capital Advisors Limited	500.00	-
3	Debt Securities	Centrum Capital Limited	-	1,509.14
4	Trade payable	Centrum Wealth Limited		-
5	Investment			
		Unity Small Finance Bank Ltd (Equity Investment)	35,950.00	35,950.00
		Unity Small Finance Bank Ltd (Investment in Share Warrants)	140.00	140.00
		Centrum Finverse Limited	125.00	
		IGNIS Capital Advisors Limited	501.04	
		Centrum Wealth Limited	16,900.00	11,000.00
6	Margin balance with broker	Unity Small Finance Bank Limited (Payable Cash Balance)	-	-

Centrum Financial Services Limited

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

(Currency : Indian Rupees)

36 Relationship with struck off companies

During the year ended 31 March 2024 the Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. (During the year ended 31 March 2023 - Nil).

37 The borrowings raised during the year have been used for the purpose they were raised

38 Registration of charges or satisfaction with Registrar of Companies

During FY 2023-24, all charge forms were duly filed with the time prescribed under the Companies Act,2013.

39 Details of Benami Property held

There were no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

40 Title deeds of Immovable Properties not held in name of the Company

Sr No	Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter, director or relative # of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
1	NA	NA	-			-	

41 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries)

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42 Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2023.

As per our report of even date

For SHAH & TAPARIA

Chartered Accountants

ICAI Firm Registration No.109463W

For and on behalf of Board of Directors of

Centrum Financial Services Limited

Narottam Shah

Partner

MembershipNo.106355

Rishad Byramjee

Executive Director

DIN : 00164123

Ranjan Ghosh

Non - Executive Director

DIN : 07592235

Mumbai

May 6, 2024

Abhishek Baxi

Chief Financial Officer

Archana Goyal

Company Secretary

Mumbai

May 6, 2024

Mumbai

May 6, 2024

CENTRUM FINANCIAL SERVICES LIMITED**CIN: U65910MH1993PLC192085****Registered Office: Centrum House, CST Road, Vidyanagari Marg, Kalina, Mumbai 400098****Phone: 02242159000, Fax: 02242159833;****Email:cs@centrum.co.in; Website:www.centrum.co.in****NOTICE**

NOTICE IS HEREBY GIVEN THAT ANNUAL GENERAL MEETING OF CENTRUM FINANCIAL SERVICES LIMITED WILL BE HELD ON MONDAY, JULY 29, 2024, AT 2:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT CENTRUM HOUSE, C.S.T. ROAD, VIDYANAGARI MARG, KALINA, SANTACRUZ (EAST), MUMBAI – 400098, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Rishad Byramjee (DIN: 00164123), who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. Appointment of M/s. Sharp & Tannan, Chartered Accountants, as Statutory Auditors of the Company:

To consider and, if thought fit, to pass the following resolution, as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Guidelines issued by Reserve Bank of India (RBI) vide RBI/2020-21/25 ref no. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, applicable RBI Regulations/Master Directions and such other applicable provisions, if any, the consent of the Members be and is hereby accorded for the appointment of M/s. Sharp & Tannan, Chartered Accountants, Mumbai having firm registration no. FRN 109982W be appointed as the Statutory Auditors of the Company, at a remuneration as may be mutually agreed to, between the Board of Directors and M/s Sharp & Tannan, Chartered Accountants, plus applicable taxes, out-of-pocket expenses, travelling and other expenses, to hold office of Statutory Auditors from Financial Year 2024-25 till the conclusion of the Annual General meeting of the Company to be held in the year 2027;

RESOLVED FURTHER THAT all Directors of the Company be and is hereby severally authorised to file necessary forms, returns or documents with the Registrar of Companies and other authorities and to do all such acts, deeds, things which may be necessary to give effect to the said resolution.”

SPECIAL BUSINESS:

4. **To approve the appointment of Mr. Sriram Venkatasubramanian (DIN: 00169087) as a Director of the Company**

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 152, 160, 161 and any other applicable provisions of the Companies Act, 2013 (the “Act”) read with applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), such other rules, circulars and guidelines issued by the Reserve Bank of India (“RBI”) in this regards from time to time, the provisions of the Articles of

Association of the Company, and basis the recommendation of Nomination & Remuneration Committee and approval of the Board of Directors of the Company, Mr. Sriram Venkatasubramanian (DIN: 00169087), who was appointed as the Additional Director of the Company, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member, proposing his candidature for the office of Director, being so eligible, be and is hereby appointed as a Director of the Company.

5. To approve the appointment of Mr. Sriram Venkatasubramanian (DIN: 00169087) as Managing Director & Chief executive officer (MD & CEO) of the Company

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with scheduled V and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with the applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), such other rules, circulars and guidelines issued by Reserve Bank of India in this regards from time to time, the provisions of the Articles of Association of Company, and the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and such other approval, permission and sanctions, the consent of the Members of the Company, be and is hereby accorded for the appointment of Mr. Sriram Venkatasubramanian (DIN: 00169087) as Managing Director & Chief executive officer (**MD & CEO**) of the Company, liable to retire by rotation, for a period of 3 years, effective June 01, 2024 up to May 31, 2027 at a remuneration in the scale of Rs. 2,75,00,000/- to Rs. 3,25,00,000/- per annum and as per terms and conditions as approved by the Board.

RESOLVED FURTHER THAT Mr. Sriram Venkatasubramanian shall be provided with a car by the Company to be used for Company’s business and he shall also be entitled to receive discretionary bonus over and above aforesaid remuneration, during any Financial Year as may be determined and approved by the Nomination and Remuneration Committee from time to time.

RESOLVED FURTHER THAT in case of absence or inadequacy of profits in any Financial Year, Mr. Sriram Venkatasubramanian shall be paid such minimum remuneration, as may be determined by the NRC and Board, subject to seeking necessary regulatory approvals if any.

RESOLVED FURTHER THAT the Board of Directors of the Company (including duly constituted Nomination and Remuneration Committee of the Board), be and is hereby authorised to do all such acts, deeds, matters and things including the power to settle all questions, difficulties or doubts that may arise with regard to the said appointment and terms of appointment, as it may in its absolute discretion deem fit, and to authorize officials to execute all such agreements, documents, instruments, writings, etc., as may be required, file requisite forms or applications with statutory/regulatory authorities and/or to delegate all or any of its powers herein conferred to any Director(s)/ Officer(s) of the Company, as may be required, to give effect to this resolution.”

6. To appoint Ms. Sunita Rajiv Handa (DIN: 08215176) as an Independent Director of the Company

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, Schedule IV and other applicable provisions, of the Companies Act, 2013 (‘Act’) read with relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the rules, guidelines and circulars issued by the Reserve Bank of India (‘RBI’) in this regards from time to time, the Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Ms. Sunita Rajiv Handa (DIN: 08215176), who was appointed as an Additional Director in the capacity of Independent Director of the Company with effect from May 07, 2024, and

who in terms of Section 161 of the Act holds office upto the date of general meeting of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retirement by rotation, for period of three years commencing from May 07, 2024 upto May 06, 2027.

RESOLVED FURTHER THAT any one of the Director or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary or desirable for furtherance of the above, and to execute any such documents and writings as may be required on behalf of the Company, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment.”

7. To approve issuance of securities in one or more tranches

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 42, 71, and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, any other applicable provisions under the Act, Securities and Exchange Board of India Act, 1992, Securities Contract Regulation Act, 1956 (including any statutory modification(s) thereto or re-enactment(s) thereof for the time being in force), as may be amended from time to time, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (including any statutory modification(s) thereto or re-enactment(s) thereof for the time being in force), as may be amended from time to time, the Depositories Act, 1996, Indian Stamp Act 1899, and/or the Rules, Regulations, Guidelines and Circulars issued thereunder and subject to the Reserve Bank of India regulations/ guidelines/ circulars, the Memorandum and Articles of Association of the Company, and subject to any other regulations, consents, permissible approvals and sanctions, if any, as may be laid down by any other authority, approval of the members be and is hereby accorded to create, offer, issue, allot, list, redeem, pay interest, etc., by issue of secured/unsecured/ rated/ unrated/ listed/ unlisted/redeemable securities, which may be convertible/ non-convertible (“Securities”), on such terms and conditions as may be decided by the Board of Directors of the Company or any Committee thereof which may be constituted or in existence (herein after together referred to as the “Board”), to the below mentioned selected group of persons as identified persons provided however that the aggregate amount of funds from any such offering(s), whether in one or more tranches, shall not exceed Rs.500 Crore (Rupees Five Hundred Crore Only):

- a. Banks;
- b. Financial Institutions;
- c. Non-Banking Financial Companies;
- d. Company, Bodies Corporate, Statutory Corporation;
- e. Mutual Funds;
- f. Insurance Companies;
- g. Provident Funds, Gratuity, Superannuation and Pension Funds, subject to their investment guidelines;
- h. Individuals;
- i. Hindu Undivided Family (HUF);
- j. Partnership firms including Limited Liability Partnership firms;
- k. Registered Society;
- l. Private Trust / Public charitable trust;
- m. Any other entity who is eligible to invest

RESOLVED FURTHER THAT the Board be and are hereby severally authorized to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient to give effect to the above Resolution, including

determining the final terms and conditions of the Securities and any matters incidental or ancillary thereto.

RESOLVED FURTHER THAT a copy of the resolution duly certified to be true by any one of the Directors or the Company Secretary, if any, be forwarded for submission to various Authorities.”

**BY ORDER OF THE BOARD OF DIRECTORS
CENTRUM FINANCIAL SERVICES LIMITED**

**SRIRAM VENKATASUBRAMANIAN
MANAGING DIRECTOR & CEO
DIN: 00169087**

**PLACE: MUMBAI
DATE: JULY 1, 2024**

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the “Act”), in regard to the special business No. 4 to 7 are set out on above Items which are annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.** Proxies, in order to be effective, must be received at the Company’s Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization.
3. Members are requested to note that pursuant to Section 105 of the Act, a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting (AGM) are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Director’s Shareholding, Register of Contracts are available for inspection by the members at the registered office of the Company.
7. All documents referred to in the accompanying Notice and Explanatory statement are open and available for inspection at the Registered Office of the Company on all working days during the working hours i.e. between 9.30 a.m. to 6.00 p.m., till the date of this Meeting.
8. Route map of the venue of the meeting (including prominent landmark) is annexed hereto and forms a part of this notice.

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the businesses mentioned under the accompanying Notice dated July 1, 2024.

Item No. 4 & 5

Basis the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 06, 2024 appointed Mr. Sriram Venkatasubramanian (DIN: 00169087) as an Additional Director in the capacity of Managing Director and Chief Executive Officer of the Company, liable to retire by rotation for a period of three years with effect from June 01, 2024 at a remuneration of upto Rs. 3 crore per annum for FY 2024-25 and in the scale of Rs. 2,75,00,000/- to Rs. 3,25,00,000/-per annum and as per terms and conditions as placed before the Board, subject to the approval of members of the Company and such other approval, permission and sanctions required. Further, Board of Directors of the Company at its meeting held on May 06, 2024 appointed Mr. Sriram Venkatasubramanian as acting Chief Financial Officer of the Company with effect from June 01, 2024.

Mr. Sriram Venkatasubramanian was Chief Financial Officer of the Centum Capital Limited till May 31, 2024. He holds an engineering degree from BITS, Pilani and a PGDM from IIM, Bangalore. He has about 28 years of experience in Financial Services, Corporate Finance and Technology. He has been with Centrum Group for more than 17 years in multiple roles spanning Business, Strategy, Finance and Operations in Capital Markets, Wealth Management and lending businesses. During his stint with Centrum, he has run the brokerage and distribution business, been part of the founding team of the wealth business, led the disinvestment of the foreign exchange business to PE funds and subsequently to strategic buyer, handled equity fund raise for housing business from Morgan Stanley. He played a strategic role in the entry of Centrum Group into lending business including acquisition made by CFSL and CML and also the banking license and PMC acquisition. Prior to Centrum, he has worked as the country manager of Aptuit Informatics, a software product company, Vice President in Esaar Group where he worked on Acquisitions and Financing.

Brief profile of Mr. Sriram Venkatasubramanian along with the information as required to be furnished under Secretarial Standards-2 is annexed as Annexure A with the notice.

Mr. Sriram Venkatasubramanian is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Managing Director & CEO of the Company. In the opinion of the Board, he fulfils the conditions for the said appointment as prescribed under the relevant provisions of the Act and the relevant Rules made thereunder and other guidelines, circulars, notifications issued by the RBI, from time to time. He has affirmed that he is not de-barred from holding office of Director by virtue of any order of Securities and Exchange Board of India or any other such authority and has furnished the necessary consent/declarations/disclosures for his appointment as required under the Companies Act, 2013 and other applicable statutory provisions.

Relevant documents relating to appointment of MD & CEO are available for inspection by the members without any fees at the Registered Office and Corporate Office of the Company between 11:00 a.m. and 01:00 p.m. on all working days except Saturdays.

The Board recommends the passing of the ordinary and Special Resolution set forth in Item No.4 & 5 above for approval of the members.

Except Mr. Sriram Venkatasubramanian, none of the other Directors or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in passing of the resolution.

The statement containing additional information as required in Schedule V of the Companies Act, 2013 is stated below:

I. General Information:

1. Nature of Industry: Non Banking Financial Company (Core Investment Company)
2. Date or expected date of commencement of commercial production: The Company is Non Operating Financial Holding Company (NOFHC) thus it does not have commercial production.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators: The Gross income of your Company for FY 2023-24 is Rs. 2.83 Lakh and the net loss is Rs. (2,489.18) Lakh.
5. Foreign Investments or collaborations, if any: None

II. Information about the appointee:

1. Background details:

Mr. Sriram Venkatasubramanian is currently Chief Financial Officer of the Centum Capital Limited and is also Centrum Group CFO. He holds an engineering degree from BITS, Pilani and a PGDM from IIM, Bangalore. He has about 28 years of experience in Financial Services, Corporate Finance and Technology. He has been with Centrum Group for more than 17 years in multiple roles spanning Business, Strategy, Finance and Operations in Capital Markets, Wealth Management and lending businesses.

Prior to Centrum, he has worked as the country manager of Aptuit Informatics, a software product company, Vice President in Esaar Group where he worked on Acquisitions and Financing.

2. **Past remuneration:** Not applicable since this is his first appointment as a Managing Director.
3. **Recognition or awards:** During his stint with Centrum, he has run the brokerage and distribution business, been part of the founding team of the wealth business, led the disinvestment of the foreign exchange business to PE funds and subsequently to strategic buyer, handled equity fund raise for housing business from Morgan Stanley.

He played a strategic role in the entry of Centrum Group into lending business including acquisition made by CFSL and CML and also the banking license and PMC acquisition.

4. Job profile and his suitability:

Mr. Sriram Venkatasubramanian has been associated with Centrum Group for more than 17 years in multiple roles. During his stint with Centrum, he has run several businesses of Centrum group and contributed significantly for success and growth of Centrum group. He in his role of MD & CEO will focus on transitioning the company into the NOFHC of the Group.

With the diversified experience and exposure of Mr. Sriram Venkatasubramanian, the Company is hopeful that it will smoothly be converted into NOFHC of the Centrum Group.

5. Remuneration proposed:

- a. Remuneration in the scale of Rs. 2,75,00,000/- to Rs. 3,25,00,000/- per annum and the present remuneration shall be up to Rs. 3,00,00,000/- per annum.
- b. Basis the approval of Nomination and Remuneration Committee, the Company may pay a discretionary bonus over and above the said remuneration, during any Financial Year.
- c. He will be provided with Car by the Company to be used for Company's business.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

The remuneration of Mr. Sriram Venkatasubramanian is comparable to that drawn by the peers in the similar capacity in the industry.

7. Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel or other Director, if any: Mr. Sriram Venkatasubramanian is not related to any of the Directors and Key Managerial Personnel of the Company

III. Other Information:

1. **Reasons for inadequate profits:** Pursuant to condition specified by Reserve Bank of India ("RBI") for granting of banking licence to its subsidiary viz. Unity Small Finance Bank Limited and Certificate of Registration issued to the Company for conversion from Non-Banking Financial Company-Investment and Credit Company (NBFC-ICC), to Non-Banking Financial Company-Core Investment Company (NBFC-CIC), the Company has initiated the process of converting the Company into Non – Operating Financial Holding Company (NOFHC).

Thus, the Company is not engaged in any commercial production activities and there are no operations and income of the Company.

2. **Steps taken or proposed to be taken for improvement:** Not applicable
3. **Expected increase in productivity and profits in measurable terms:** Not Applicable

Item No. 6

Basis the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 06, 2024 appointed Ms. Sunita Rajiv Handa (DIN: 08215176) as an Additional Director in the capacity of 'Independent Director' of the Company, for a period of three years with effect from May 07, 2024, subject to the approval of members of the Company.

Ms. Sunita Handa is a seasoned banking professional from the largest Financial Conglomerate of the Country, the State Bank of India (SBI), with over three decades of insightful experience, more than half of it in technology initiatives & implementations involving inter-alia ; Tech-Partnerships (Centre/State Govts, B2B, Supply Chain Lending, Fintech), Payment Systems, SWIFT, UPI, e-Commerce, Mobility (SBI – YONO), Treasury & Wealth Investments, Digital Collections / Payments/ Cash Management for MSMEs, Corporates & Govts. and digitisation in SBI's Overseas Offices in 25 countries across the Globe. She was a key member of the Core Team for migrating operations of State Bank of India's overseas offices to a single technology platform. She was also posted in Frankfurt (2008 to 2012) as Senior Vice President to head the Bank's IT operations in Germany. Presently, she is working as Principal Advisor – Strategy at Protectt.ai Labs Pvt Ltd, contributing towards building a safe, secure & sustainable Mobile-First ecosystem as a part of an AtmaNirbhar Bharat. Further, she is an

Independent Director on the Board of Toyota Financial Services India.

Brief profile of Ms. Handa along with the information as required to be furnished under Secretarial Standards-2 is annexed as Annexure A with the notice.

The Company has received declaration from Ms. Handa as per the provisions of section 149(6) of the Companies Act, 2013 that she meets the criteria of independence under the Companies Act, 2013. Further, the Company has also received consent of Ms. Handa to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that she is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. She has confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

The Company has received Notice under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Independent Director.

Draft letter of appointment setting out the terms and conditions of her appointment is available for inspection by the members without any fees at the Registered Office and Corporate Office of the Company between 11:00 a.m. and 01:00 p.m. on all working days except Saturdays.

The Board recommends the Ordinary Resolution set forth in Item No.6 above for approval of the members.

Except Ms. Sunita Handa, none of the other Directors or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in passing of the resolution.

Item No. 7

The members be informed that in order to convert the Company into Non – Operating Financial Holding Company (NOFHC), it will be necessary to acquire the regulated entities of the Group. To finance these acquisitions, making investments in group companies and for general corporate purposes, the Company may raise funds through issuance of different securities i.e. by way of issuance of Non-Convertible Debentures (NCDs) / Market Linked Debentures (MLDs), etc.

As per the provisions of Section 42 of the Companies Act, 2013 (“Act”) read with Rules framed thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, a company offering or making an invitation to subscribe to NCDs on a private placement basis, is required to obtain prior approval of the Members by way of a Special Resolution, which can be obtained once a year for all the offers and invitations for such NCDs/MLDs during the year.

Accordingly, the approval of the Members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any, of the Act and the Rules framed thereunder to create, invite, offer, issue and allot up to such number of securities ,including but not limited NCDs or MLDs, whether secured or unsecured, on a private placement basis, in one or more tranches aggregating to Rs. 500 Crore (Rupees Five Hundred Crore), during a period of one year from the date of passing resolution set out at item No. 4 of this Notice.

The Board recommends the Resolution as set out in item no. 7 to the Members for their consideration and approval, by way of Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives are interested in the proposed Resolution.

Statement of disclosures as required under the Companies (Share Capital and Debentures) Rules 2014 and Companies (Prospectus and Allotment of Securities) Rules, 2014 are as under:

Particulars of the offer including date of passing of Board resolution	Create, offer, issue and allot, by issue of securities, as may be decided by the Board/ any Committee of the Board in one or more tranches not exceeding Rs. 500 Crore (Rupees Five Hundred Crore Only). Date of Passing Board Resolution- May 6,2024
Kinds of securities offered and the price at which security is being offered:	Any securities as may be decided by the Board/ any Committee of the Board
Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	As may be decided by the Board/ any Committee of the Board on the basis of valuation obtained from a professional, if any.
Name and address of valuer who performed valuation, basis on which the price has been arrived at along with report of the registered valuer and relevant date with reference to which the price has been arrived at	Will depend at the time of issuance since valuation report will be obtained at the time of issuance/allotment
Amount which the company intends to raise by way of such securities	Up-to Rs.500 Crore (Rupees Five Hundred Crore Only).
Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities	Terms and conditions –As may be decided by the Board/ any Committee of the Board, Object of the offer being- making investments in group companies, repayment of debt, On-lending as permitted under applicable regulations issued by RBI, working capital, general corporate purposes, and such other purpose as may be determined by the Board or Finance Committee from time to time. contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects to be decided at the time of offer, principle terms of assets charged as securities- As may be decided by the Board/ any Committee of the Board.
The price or price band at/within which the allotment is proposed;	As may be decided by the Board/ any Committee of the Board.
The class or classes of persons to whom the allotment is proposed to be made	To such persons or entities, including companies, financial institutions, insurance companies, mutual funds, pension/ provident funds and individuals, whether in India or outside India, as the case may be or such other entities as the Board/ any Committee may decide from time to time.
Intention of promoters, directors or key managerial personnel to subscribe to the offer	As may be decided by the Board/ any Committee of the Board
The proposed time within which the allotment shall be completed	As may be decided by the Board/ any Committee of the Board
The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them	As may be decided by the Board/ any Committee of the Board

The change in control, if any, in the company that would occur consequent to the preferential offer	Since the issue is proposed to be made in tranches the shareholding will differ with every issue.
The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price.	Nil
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Allotment will be made in cash. Further, valuation report will be obtained at the time of issuance/allotment, if required.
The pre issue and post issue shareholding pattern of the company in the following format	Since the issue is proposed to be made in tranches the shareholding will differ with every issue.

**By Order of the Board of Directors,
For Centrum Financial Services Limited**

**Sriram Venkatasubramanian
Managing Director & CEO
DIN: 00169087**

**Place: Mumbai
Date: July 1, 2024**

ANNEXURE A

Information as required to be furnished pursuant to Secretarial Standards-2

Name of Director	Rishad Byramjee	Sriram Venkatasubramanian	Sunita Handa
Director Identification Number	00164123	00169087	08215176
Designation	Executive Director	Managing Director & CEO	Independent Director
Date on first appointment on Board	December 24, 2002	June 01, 2024	May 07, 2024
Date of Birth	April 19, 1981	August 13, 1973	August 31, 1961
Age	43 years	50 years	62 years
Qualification	B.Com & Master of Science degree with specialization in Logistics & Supply Chain Management from UK	Engineering degree from BITS, Pilani and a PGDM from IIM, Bangalore.	M.Sc (Maths) from Delhi University, Certified Associate of Indian Institute of Bankers (CAIIB), Executive Leadership Program by the Wharton School of University of Pennsylvania, Blockchain by Linux Foundation, IICA's Proficiency Exam for Independent Directors, Strategic Management by IIM, Bangalore, Artificial Intelligence - AI for Everyone by IBM
Experience/Expertise	Over 20 years of experience	Over 28 years of experience	Over 38 years of experience
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person	Mr. Rishad Byramjee is appointed as Executive Director of the Company for a period of three (3) years effective September 16, 2022 at a remuneration not exceeding Rs. 15,00,000/- and is liable to retirement by rotation and being eligible, offer himself for re-appointment.	Mr. Sriram Venkatasubramanian is appointed as Managing Director and CEO of the Company for a period of three (3) years effective June 01, 2024 at a remuneration in the scale of Rs. 2,75,00,000/- to Rs. 3,25,00,000/-per annum with remuneration for FY 2024-25 upto Rs. 3 crore p.a.	Ms. Sunita Handa is proposed to be appointed as Independent Director of the Company. She will be entitled to Sitting Fee(s) for attending Board and Committee Meeting(s) of the Company.

	During FY 2023-24, he has drawn a remuneration of Rs. 12,00,000/-.		
Number of Meetings of the Board attended during the year and other Directorship/Membership/Chairmanship of Committees of other Boards	<p>No. of Meetings attended: 5</p> <p>Details of Other</p> <p>Directorship:</p> <ul style="list-style-type: none"> • Lion Estates Private Limited • Aquarius Estates Private Limited • Nightingale Estates Private Limited • Casby Global Air Private Limited • Sea Freight Private Limited • Machado and Sons Agents and Stevedores Private Limited • M Dinshaw And Company Private Limited • Kavita Stockbrokers Private Limited • Risk Financial Consultancy Private Limited • Jakari Developers Private Limited • Kaikobad Byramjee And Sons (Agency) Private Limited • Casby Logistics Private Limited • Sika Properties Private Limited • Centrum Capital Limited <p>Membership/Chairmanship of Committees of other Boards</p>	<p>No. of Meetings attended: Not Applicable</p> <p>Details of Other</p> <p>Directorship:</p> <ul style="list-style-type: none"> • Centrum Insurance Brokers Limited • Centrum Capital Advisors Limited • Centrum Wealth Limited • Centrum Finverse Limited • K-Right Management Solutions Private Limited <p>Membership/Chairmanship of Committees of other Boards: None</p>	<p>No. of Meetings attended: Nil</p> <p>Details of Other</p> <p>Directorship:</p> <ul style="list-style-type: none"> • Toyota Financial Services India Limited <p>Membership/Chairmanship of Committees of other Boards:</p> <p>Member of:</p> <p>Audit Committee Stakeholder Relationship Committee Nomination and Remuneration Committee Risk Management Committee CSR Committee</p> <p>Chairperson of:</p> <p>IT Strategy Committee</p>

	Centrum Capital Limited: Audit Committee – Member Stakeholder Relationship Committee - Chairperson		
Shareholding in the Company	Nil	NIL	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company.	None	None	None

CENTRUM FINANCIAL SERVICES LIMITED

CIN: U65910MH1993PLC192085

Registered Office: Centrum House, CST Road, Vidyanagari Marg, Kalina, Mumbai 400098

Phone:02242159000,Fax:02242159833;Email:cs@centrum.co.in

Website: www.centrum.co.in

**FORM NO. MGT - 11
PROXY FORM**

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

Name of the Member(s)	
Registered Address	
Email ID	
DP ID Client id/Folio No.	

I/We _____ of _____ above named Company, hereby appoint

1. Name: _____

Address: _____

E-mail Id: _____ Signature: _____ or failing him

2. Name: _____

Address: _____

E-mail Id: _____ Signature: _____ or failing him

3. Name: _____

Address: _____

E-mail Id: _____ Signature: _____ or failing him

as my/our Proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Monday, July 29, 2024 at 2:00 P.M. and at any adjournment thereof in respect of such resolution as are indicated below:

Resoluti on No.	Resolution	I/We assent to the resolution (For)*	I/We dissent to the resolution (Against)*
Ordinary Business			
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and the Auditors thereon.		
2	To appoint a Director in place of Mr. Rishad Byramjee (DIN: 00164123), who retires by rotation at this meeting and being eligible, offers himself for re-appointment		
3	Appointment of M/s. Sharp & Tannan, Chartered Accountants, as Statutory Auditors of the Company:		
Special Business:			
4	To approve the appointment of Mr. Sriram Venkatasubramanian (DIN: 00169087) as a Director of the Company		
5	To approve the appointment of Mr. Sriram Venkatasubramanian (DIN: 00169087) as Managing Director & CEO of the Company		
6	To appoint Ms. Sunita Rajiv Handa (DIN: 08215176) as an Independent Director of the Company		
7	To approve issuance of securities in one or more tranches		

Signed this _____ day of _____ 2024.

Signature of the Shareholder: _____

Signature of the Proxy holder(s): _____

Affix
Revenue
Stamp

Notes:

1. This Form of the proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolution, explanatory statement and notes please refer to the Notice of the Annual General Meeting.
3. A proxy need not be a member of the Company.
4. A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carry voting rights.
5. If a member holding more than 10% of the total share capital carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other member.
6. In case of Joint holder, the vote of the senior who tender as vote , whether in person or by proxy, shall

be accepted to the exclusion to the vote of other joint holders .Seniority shall be determined by the order in which the name stand in the register of members.

7. *This is optional please put a tick mark (✓) in appropriate column against the resolution indicated above. In case of members wishes his/her vote to be used differently, he/she should indicate the number of shares under the columns "For", "Against" . In case the members leaves the column(s) blank, the proxy will be entitled to vote in the manner he/she thinks appropriate.

CENTRUM FINANCIAL SERVICES LIMITED

CIN: U65910MH1993PLC192085

Registered Office: Centrum House, CST Road, Vidyanagari Marg, Kalina, Mumbai 400098
Phone:02242159000,Fax:02242159833;Email:cs@centrum.co.in,Website:www.centrum.co.in

ATTENDANCE SLIP

ANNUAL GENERAL MEETING

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Joint shareholders may obtain additional Attendance Slip at the venue of the Meeting.

Reference Folio No. /DP ID & Client ID: _____

Number of Shares: _____

Name and Address: _____

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the Annual General Meeting of the Company held on Monday July 29, 2024 at 2:00 P.M. at Centrum House C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400 098.

Signature of Member/Proxy (Name in BLOCK letters)

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members/proxy are requested to bring a copy of the Annual Report at the meeting.

Route Map for AGM Venue

Address: Centrum House”, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai–400098,

