

## Directors' Report

To  
The Members,  
Centrum Housing Finance Limited

Your Directors are pleased to present their 3<sup>rd</sup> Annual Report together with the Audited Financial Statements of the Company for the period ended March 31, 2018.

### Financial Highlights

Particulars	(Rs. in Lakh)	
	Year ended March 31, 2018	Year ended March 31, 2017
Gross income from operations	1190.36	147.59
Profit before tax	39.90	3.21
Less: Taxation Expenses	21.00	1.14
Profit after tax	18.89	2.07
Balance of profit for earlier years	(14.68)	(15.84)
Transfers to reserve/addition of profit or loss for the year	15.11	1.16
Balance carried forward	0.43	(14.68)

During FY 2017-18, the Company disbursed mortgage loans amounting to ₹183.5 crore which included housing loans of ₹136.8 crore. The Company's loan portfolio stood at ₹180 crore as on March 31, 2018. The Company's Gross income from operations is ₹11.9 crore in FY 2017-18 as against ₹1.47 crore in FY 2016-17. The net profit after tax for the year increased to ₹18.89 lakh from ₹2.07 lakh in the FY 2016-17.

An amount of ₹3.78 crore is proposed to be transferred to the Statutory Reserve pursuant to Section 29C of the National Housing Bank Act, 1987 and the balance ₹0.43 crore is proposed to be carried to the Balance Sheet.

### Share Capital

During FY 2017-18, the Authorized Share Capital of the Company increased from ₹50 crore to ₹100 crore. The Issued, Subscribed and Paid-up Share Capital of the Company as on March 31, 2018 was ₹99,99,99,860 consisting of 9,99,99,986 Equity Shares of ₹10 each.

During the financial year under review, the Company received the balance of ₹7 per share payable on call for 3,49,99,986 Equity Shares from Centrum Retail Services Limited.

During the financial year under review, the Company issued and allotted 2,60,00,000 equity shares to Centrum Capital Limited in tranches and 2,40,00,000 equity shares to BG Advisory Services LLP, both on a 'Preferential basis'.

### Dividend

With a view to conserving the resources of the Company and for building up its reserves and after considering the business plans of the Company for FY 2018-19, your Directors do not recommend any dividend for the financial year 2017-18.

### **Holding, Subsidiaries, Joint Venture and Associate Companies**

Centrum Retail Services Limited (CRSL), Holding Company has transferred 4,99,99,986 equity shares of the Company to Centrum Capital Limited (CCL). Subsequent to this transfer, CRSL ceased to be the Holding Company and subsequent to the aforesaid transfer, CCL became holding Company. CCL's present shareholding stands at 76%.

The Company presently has no subsidiary, joint venture and associate companies.

### **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 and commitments affecting the financial position of the Company between the end of financial year and date of the report.

### **Auditors and Auditors' Report**

The members of the Company at the Annual General Meeting of the Company held on September 29, 2016 had appointed M/s Haribhakti & Co LLP, Chartered Accountants as Statutory Auditors for a period of 5 years upto the year 2021, subject to ratification of their appointment at every Annual General Meeting.

### **Secretarial Audit**

The Board had appointed CS Pooja Sanghvi, Company Secretary in practice, as Secretarial Auditor, to conduct secretarial audit for the financial year 2017-18, in pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rules 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Report of the Secretarial Auditor is Annex to this Report.

### **Directors and Key Managerial Personnel**

Mr. K R Kamath resigned from the office of Directorship with effect from May 24, 2017.

Ms. Anjali Seth was appointed as an Additional Director in capacity of an Independent Director u/s 161(1), 149 and 152 of the Companies Act, 2013 with effect from August 21, 2017 and was regularised at the 2<sup>nd</sup> AGM on August 29, 2017.

Mr. Mehul Jatania was appointed as Chief Financial Officer with effect from January 1, 2018.

Mr. Alpesh Shah is the Company Secretary of the Company.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company Mr. Rajendra Naik is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment. Pursuant to the 'Fit and Proper' Policy adopted by the Company under the Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016, the Company has received the 'Fit and Proper' declarations from Mr. Naik for his renewal of appointment as a Director of the Company.

### **Corporate Governance**

The Company recognises its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, government and others. The Company believes that governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximising value for all stakeholders.

## Meetings of the Board and Committees

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

Particulars	Board
Number of Meetings	5
Dates of Meetings	24.05.2017, 28.08.2017, 12.10.2017, 20.12.2017, and 20.03.2018
No. of meetings attended by Directors/ Committee members	
Sridar Venkatesan	5
Anjali Seth	4
K R Kamath	1
Vivek Vig	5
Rajendra Naik	5
Shailendra Apte	5
Sanjay Shukla	5

5 meetings of the Board were held during the financial year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 (the "Act").

The Company has paid sitting fees to Mr. Sridar Venkatesan of Rs. 3,60,000 and paid sitting fees to Ms. Anjali Seth of Rs. 2,40,000 for the meetings attended by them in FY. 2017-18.

## Risk Management Policy

With ups and downs, volatility and fluctuations in the financial sector in which the Company operates, Company is exposed to various risks and uncertainties in the normal course of business. Since such variations can affect the results from operations and financials of the company, the focus on risk management continues to be high.

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure includes Committees of the Board. The Company has suitable risk management policy which lays down guidelines for Risk identification, assessment and monitoring as an ongoing process that is supported by a robust risk reporting framework. The Risk Management Committee of the Board assists the Board in its oversight of various risks mentioned above. The Risk Management Committee reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyses risk exposures related to specific issues and provides oversight of risk across the organisation.

## Particulars of loans given, investment made, guarantee given, and securities provided

Details of loans, guarantees and investments have been disclosed in the Financial Statements forming a part of this Annual Report.

## Selection of new Directors and Board Meeting Criteria

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristic skills and experience and experience for the Board as a whole and its individual members with the objective of having the Board with a diverse background and experience in business. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound judgement, ability to participate constructively in deliberation and willingness to exercise authority in a collective manner.

### **Nomination and Remuneration policy**

The Company has in place Nomination and Remuneration Policy for the Directors, KMP and other employees pursuant to the provision of the Companies Act, 2013. Policy is available at <http://www.chfl.co.in>. salient features is annexed to this Report.

### **Familiarisation Programme and Induction**

Independent Directors are regularly updated on the business of the Company, and various regulatory changes impacting the Company.

### **Board Evaluation**

Pursuant to the provision of the Companies Act, 2013 read with Rules issued thereunder (including any statutory modification(s), the process for evaluation of the annual performance of the Directors/Board/Committee was carried out.

In a separate meeting of Independent Directors, performance of Board as a whole was done.

### **Independent Director Meeting:**

A meeting of Independent Directors was held on March 20, 2018 as per Schedule IV of the Companies Act, 2013.

### **Related Party Transactions**

All related party transactions that were entered during the financial year were on arm's length basis and were in the ordinary course of business. 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.

Accordingly particulars of contract or arrangements with related party referred to in section 188(1) of the Companies Act, 2013 along with justification for entering into such contract or arrangement in Form AOC-2 does not form part of the report.

### **Particulars of employees and related disclosures**

There were no employees who were in receipt of remuneration exceeding the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **Disclosures by Directors**

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

### **Audit Committee**

Audit Committee was reconstituted in the Board Meeting of the Company held on August 28, 2017 and present constitution is as follows:

Sr No	Name	Designation	Position in the Committee
1	Ms. Anjali Sethi	Independent Director	Chairperson
2	Mr. Sridar Venkatesan	Independent Director	Member
3	Mr. Rajendra Naik	Non-Executive Director	Member

#### **Nomination & Remuneration Committee**

Nomination and Remuneration Committee was reconstituted in the Board Meeting of the Company held on August 28, 2017 and present constitution as follows:

Sr. No	Name	Designation	Position in the Committee
1	Mr. Sridar Venkatesan	Independent Director	Chairperson
2	Ms. Anjali Sethi	Independent Director	Member
3	Mr. Vivek Vig	Non-Executive Director	Member

#### **Vigil Mechanism/Whistle Blower Policy**

The Company has a Whistle Blower Policy/Vigil Mechanism for employees to report genuine concerns/grievances, if any. The Policy provides for adequate safeguards against the victimisation of the employees who use the vigil mechanism. The vigil mechanism is overseen by the Audit Committee.

#### **Directors' Responsibility Statement**

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

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

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the annual accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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## **Corporate Social Responsibility**

Provisions of section 135 of the Act concerning the constitution of Corporate Social Responsibility Committee and related matters are not applicable to the Company.

## **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, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption respectively are not applicable to the Company.

## **Foreign Exchange**

The Company does not have any foreign exchange earnings or outgo.

## **Human Resource and Employee Relationship**

The Company pays due emphasis on building a progressive Human Resources culture within the organization. Structured initiatives that foster motivation, team work and result-orientation continue to be addressed.

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

Your Directors further state that during the period under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **Internal Financial Control and Adequacy**

The Company's internal control system is commensurate with the size, nature and operations of the Company.

## **Extract of annual return**

An extract of annual return in Form MGT-9 is provided as **Annexure A**.

## **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.

## **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 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.
3. Issue of equity shares (including sweat equity shares) and ESOS to employees of the Company under any scheme.


4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. There was no instance of non-exercising of voting rights in respect of shares purchased directly by the employees under a scheme pursuant to section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debenture) Rules, 2014 and hence no information has been furnished.

#### **Acknowledgements**

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

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

**By order of the Board  
For Centrum Housing Finance Limited**



**Sridhar Venkatesan  
Chairman**

**Place: Mumbai  
Date: May 09, 2016**





**ANNEXURE A- of Directors' Report**

(Extract of Annual Return as on the financial year ended on 31st March, 2018)

FORM No. MGT-9

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

**I. Registration and Other Details**

i.	CIN	U65922MH2016PLC273826
ii.	Registration Date	3rd March, 2016
iii.	Name of the Company	Centrum Housing Finance Limited
iv.	Category / Sub-Category of the Company	Public Company / Limited by shares
v.	Address of the Registered office & Corporate Office and Contact details	Registered and Corporate Office : Unit-801, Centrum House, CSI Road Vidyanagari Marg, Kalina, Santacruz (East) Mumbai Email ID: cs@centrum.co.in Tel No.: 022 4215 9000
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai-400 078 Tel No: 022-2594 6970

**II. Principal Business activities of the Company**

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

Sr. No.	Name and Description of main products / Services	NIC Code of the Product/ service	% to total turnover of the Company
1	Carrying out activities of housing finance companies (Housing Loan & Non-Housing Loans)	65922	87.76

**III. Particulars of Holding, Subsidiary and Associate Companies as on 31st March, 2018**

Sr No	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	%age of shares held (Please see note 1)	Applicable section
1	Centrum Capital Limited Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai- 400018	L65990MH1977PLC019086	Holding	76	2(16)



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

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018			
	Demat	Physical	Total	% of Total share capital	Demat	Physical	Total	% of Total share capital
<b>A. Promoters</b>								
(1) Indian								
(a) Individuals/ HUF	-	500	500	100.00	-	500	500	100.00
(b) Central Govt	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	4,99,99,980	4,99,99,980	100.00	9,99,99,980	-	-	-
(e) Banks / FI	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-
<b>Sub Total (A)(1):-</b>	-	4,99,99,980	4,99,99,980	100.00	9,99,99,980	5	5	100.00
(7) Foreign	-	-	-	-	-	-	-	-
(a) NRI Individuals	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-
<b>Sub Total (A)(2):-</b>	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	4,99,99,980	4,99,99,980	100.00	9,99,99,980	5	5	100.00
<b>B. Public Shareholding</b>								
(1) Institutions								
(a) Mutual Funds	-	-	-	-	-	-	-	-
(b) Banks FI	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-
* Financial Institutions	-	-	-	-	-	-	-	-
* Government Companies	-	-	-	-	-	-	-	-
* State Financial Corporation	-	-	-	-	-	-	-	-
* Market Makers	-	-	-	-	-	-	-	-
* Any Other	-	-	-	-	-	-	-	-
* Clearing Members (Bodies Corporate)	-	-	-	-	-	-	-	-
* Private Sector Banks	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-
(2) Non-Institutions								
(a) Bodies Corp.	-	-	-	-	-	-	-	-
(b) Indian	-	-	-	-	-	-	-	-
(i) Overseas	-	-	-	-	-	-	-	-
(ii) Individuals	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-
* N.R.I. (Non-Resident)	-	-	-	-	-	-	-	-
* N.R.I. (Resident)	-	-	-	-	-	-	-	-
* Trust	-	-	-	-	-	-	-	-
* Hindu Undivided Family	-	-	-	-	-	-	-	-
* Employee	-	-	-	-	-	-	-	-
* Clearing Members	-	-	-	-	-	-	-	-
* Depository Receipts	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	-	-	-	-	-	-	-	-
<b>C. Total shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-
<b>Grand Total (A + B + C)</b>	-	4,99,99,980	4,99,99,980	100.00	9,99,99,980	5	5	100.00



ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		01.04.2017			31.03.2018			
		No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares	
1	Centrum Retail Services Limited	1,99,99,986	100	Nil	Nil	0%	Nil	100
2	Centrum Capital Limited	Nil	Nil	Nil	7,59,99,586	70%	Nil	76
3	BG Advisory Service LLP	Nil	Nil	Nil	2,40,00,000	24%	Nil	24

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

Nil

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
Nil					

iv) Shareholding of Directors and Key Managerial Personnel:

Nil

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
Nil					



**V. Indebtedness:**

Rs. in Lakh

Particulars	Secured loans excluding deposits (Rs.)	Unsecured loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in indebtedness during the financial year</b>				
Addition (net)	8,635.88	-	-	8,635.88
Reduction	212.21	-	-	212.21
Exchange difference	-	-	-	-
<b>Net change</b>	<b>8,423.67</b>	-	-	<b>8,423.67</b>
<b>Indebtedness at the end of financial year</b>				
i) Principal Amount	8,423.670	-	-	8,423.670
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued and due	20.00	-	-	20.00
<b>Total (i+ii+iii)</b>	<b>8,443.67</b>	-	-	<b>8,443.67</b>





VI. Remuneration of Directors and Key Managerial Personnel:

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

Particulars of remuneration	Mr. Sanjay Shukla (Managing Director & CEO)
Gross Salary Per annum	1,19,52,109
a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1,06,70,004
b) Value of perquisites u/s 17(2) Income Tax Act, 1961	13,32,105
c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	Nil
Stock option	Nil
Sweat Equity	Nil
Commission	Nil
>as a % of profit	Nil
>others	Nil
Others (please specify)	Nil

B. Remuneration to other directors:

Name of the Director	Sitting Fees (Rs.)
Mr. Sridar Venkatesan	3,60,000
Ms. Anjali Seth	2,40,000

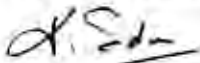
C. Remuneration To Key Managerial Personnel Other Than MD/ Manager/ WTD:

Particulars of remuneration	Mr. Mehul Jataria (Chief Financial Officer)
Gross Salary Per annum	44,73,000
a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	44,73,000
b) Value of perquisites u/s 17(2) Income Tax Act, 1961	Nil
c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	Nil
Stock option	Nil
Sweat Equity	Nil
Commission	Nil
>as a % of profit	Nil
>others	Nil
Others (please specify)	Nil

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

There were no penalties/punishments/compounding of offences for the year ended March 31, 2018.

For and on behalf of the Board of Directors  
CENTRUM HOUSING FINANCE LIMITED



Chairman

Place: Mumbai

Date: 9/5/2018



## ANNEXURE B – of Directors' Report

### SALIENT FEATURES OF NOMINATION AND REMUNERATION POLICY

#### REMUNERATION POLICY

The remuneration package of the Company ensures that;

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully
- the balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goal
- the relationship of remuneration to performance is clear and meets appropriate performance benchmarks

#### POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

##### **1) Remuneration to Managing Director/Whole Time Directors;**

- a) The Remuneration/Commission etc. to be paid to Managing Director/Whole-time Directors etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendation to the Board of Directors as it may consider appropriate with regards to remuneration to Managing Director/Whole Time Directors.

##### **2) Remuneration to Non-Executive /Independent Directors;**

- a) The Non-Executive /Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i) The Services are rendered by such Director in his capacity as the professional; and
  - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).



**Remuneration to Key Managerial Personnel and Senior Management:**

- The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc as decided from to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

**IMPLEMENTATION**

- \* The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- \* The Committee may Delegate any of its powers to one or more of its members.



**POOJA SANGHVI**  
**Practising Company Secretary**  
**COP No – 18813**

1104, Silver Heights Bldg, Opp Shanti Industrial Estate,  
Tambe Nagar, Mulund West, Mumbai- 400 080  
Email Address – [cspoojasanghvi@gmail.com](mailto:cspoojasanghvi@gmail.com)  
Mobile No – 9930958415 / 9967027711

**FORM NO. MR - 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

[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 HOUSING FINANCE LIMITED**  
CIN NO - U65922MH2016PLC273826  
Unit-801, Centrum House,  
CST Road, Vidyanagari Marg,  
Kalina, Santacruz (East)  
Mumbai - 400098

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CENTRUM HOUSING FINANCE LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended **31<sup>st</sup> March, 2018**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31<sup>st</sup> March, 2018, according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;

*Sanghvi*



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- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; [Not Applicable as the Company is Unlisted Company]
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; [Not Applicable as the Company is Unlisted Company]
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Not Applicable as the Company is Unlisted Company]
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; [Not Applicable as the Company is Unlisted Company]
  - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and [Not Applicable as the Company is Unlisted Company]
  - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not Applicable as the Company is Unlisted Company]
  - g. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; [Not Applicable as the Company is Unlisted Company]
  - h. The Memorandum and Articles of Association.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) Non-Housing Bank Act, 1987 and any other NBFC regulations 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.

*Sanghvi*





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**Practising Company Secretary**  
**COP No – 18813**

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**I further report that :-**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and 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 / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.
- 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.
- All decisions of the Board and Committees were carried with requisite majority.

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

As informed, the Company has responded appropriately to notices received from various statutory/ regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period there were following specific events/ actions having a major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc, :-

1. The Members at the Annual General Meeting held on 29<sup>th</sup> August, 2017 increased its Authorised Share Capital from Rs. 50,00,00,000/- (Rupees Fifty Crore Only) divided into 5,00,00,000 (Five Crore Only) Equity Shares of Rs.10/- (Rupees Ten only) each to Rs. 1,00,00,00,000/- (Rupees One Hundred Crore Only) divided into 10,00,00,000 (Ten Crore Only) Equity Shares of Rs.10/- (Rupees Ten only). Each.
2. The Members at the Annual General Meeting held on 29<sup>th</sup> August, 2017 made Preferential Allotment aggregating to Rs.15,00,00,000/- (Rupees Fifteen Crore) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) to allottee Centrum Capital Limited.

*Sanghvi*



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**Practising Company Secretary**  
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Mobile No – 9930958415 / 9967027711

3. The Members at the Extra Ordinary General Meeting held on 15<sup>th</sup> January, 2018 made Preferential Allotment aggregating to Rs.35,00,00,000-(Rupees Thirty Five Crore Only) divided into 3,50,00,000 equity Shares of face value of Rs. 10/- each (Rupees Ten Only) out of which 1,10,00,000 equity shares were allotted to Centrum Capital Limited and 2,40,00,000 equity shares were allotted to BG Advisory Services LLP.

*Sanghvi*

PCS POOJA SANGHVI  
COP NO - 18813

Place : Mumbai  
Date: 09/05/2018



**POOJA SANGHVI**  
**Practising Company Secretary**  
**COP No – 18813**

1104, Silver Heights Bldg, Opp Shanti Industrial Estate,  
Tambe Nagar, Mulund West, Mumbai- 400 080  
Email Address – [cs poojasanghvi@gmail.com](mailto:cs poojasanghvi@gmail.com)  
Mobile No – 9930958415 / 9967027711

To,  
The Members  
**CENTRUM HOUSING FINANCE LIMITED**  
**CIN NO - U65922MH2016PLC273826**  
Unit-801, Centrum House,  
CST Road, Vidyanagari Marg,  
Kalina, Santacruz (East)  
Mumbai - 400098

**Our Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2018 is to be read along with this letter.**

**Management's Responsibility**

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

Our responsibility is to express an opinion on those secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances.

We believe that the audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

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

We have not verified the correctness and appropriateness of financial records and books of account of the Company.

*Sanghvi*

PCS POOJA SANGHVI  
COP NO - 18813  
Place : Mumbai  
Date: 09/05/2018



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Centrum Housing Finance Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Centrum Housing Finance Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2";
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company does not have any pending litigations which would impact its financial position;
    - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;



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

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

  
Sumant Sakhardande  
Partner  
Membership No. 034828



- Date: May 09, 2018

Place : Mumbai

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Centrum Housing Finance Limited on the financial statements for the year ended March 31, 2018]

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The company does not have any immovable property during the financial year ending March 31, 2018. Accordingly, clause (i)(c) of the Order is not applicable to the company.
- (ii) The company does not have any inventory. Accordingly, the provisions of paragraph 3 (ii) of the Order is not applicable to the company.
- (iii) As informed, the Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act. However, the Company has not granted secured or unsecured loan to firms, Limited Liability Partnerships or other parties.
  - (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
  - (b) The schedule of repayment of principal and payment of interest in respect of such loans has been stipulated and the repayments or receipts are regular.
  - (c) In respect of the aforesaid loans, there is no overdue amount of loans granted to companies listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. Further, the Company has complied with the provisions of the Section 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.



(vii)

- (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and any other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues with respect to income tax, service tax, goods and service tax, which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to bank. The Company has not taken any loan or borrowing from financial institution, Government or through debenture holders.

(ix) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of the term loans during the year for the purposes for which they were raised. The Company has not raised money by way of initial public issue offer and further public offer.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) According to the information and explanations given to us, managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) The Company has made preferential allotment or private placement of shares during the year under review and in our opinion and according to the information and explanations given to us, the requirement of Section 42 of the Act have been complied with and the amount raised have been used for the purposes for which the funds were raised. The Company has not made fully or partly convertible debentures during the year under review.





- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W /W100048



Sumant Sakhardande

Partner

Membership No. 034828



Place: Mumbai

Date: May 09, 2018

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Centrum Housing Finance Limited on the financial statements for the year ended March 31, 2018]

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

We have audited the internal financial controls over financial reporting of Centrum Housing Finance Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/ W100048

  
Sumant Sakhardande

Partner

Membership No. 034828



Mumbai: May 09, 2018

## AUDITOR'S REPORT

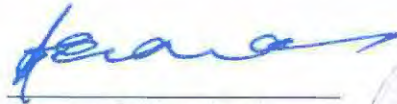
To  
The Board of Directors of Centrum Housing Finance Limited

1. We have audited the financial statements of Centrum Housing Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information and issued our audit report dated May 09, 2018 thereon. These financial statements are the responsibility of the Company's management. Our responsibility was to express an opinion on these financial statements based on our audit.
2. As required by the Housing Finance Companies (NHB) Directions, 2010, issued by the National Housing Bank ("the Bank") and amended from time to time ("the Directions"), and based on our audit referred to in paragraph 1 above and based on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereunder on the matters specified in paragraph 34 of the Directions:
  - I. The company is registered with NHB vide registration certification No. 11.0147.16 dated 10.11.2016.
  - II. Provisions relating to liquidity requirements as specified under section 29B of the National Housing Bank Act, 1987 are not applicable to the Company, as Company has not accepted any deposits during the year;
  - III. The company has complied with the provisions of Section 29C of National Housing Bank Act, 1987 with regard to the requirement of the reserve fund.
  - IV. The company has complied with the directions issued by the NHB directions to the extent applicable.
  - V. The capital adequacy ratio as disclosed in the returns submitted to NHB has been correctly determined and ratio complies with the minimum capital to risk weighted assets ratio as prescribed.
  - VI. The company is Non-accepting public deposits Company.
    - (a) The Board of Directors has passed a resolution for non acceptance of any public deposit;
    - (b) The Company has not accepted any public deposits during the year ended March 31, 2018;
    - (c) The Company has complied with the prudential norms for the year ended March 31, 2018;



3. The compliance with the requirements of the Directions is the responsibility of the Company's management.
4. This report is issued solely for reporting on the matters specified in paragraph 34 of the Directions, to the Board of Directors and is not to be used or distributed for any other purpose.

For Haribhakti & Co. LLP  
Chartered Accountants  
Firm Registration No.103523W/ W100048



Sumant Sakhardande  
Partner  
Membership No. 034828



Place: Mumbai  
Date: May 09, 2018

**CENTRUM HOUSING FINANCE LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2018**

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
		In Rs.	In Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	99,99,99,860	25,49,99,958
(b) Reserves and surplus	3	5,11,627	(13,77,418)
		<b>1,00,05,11,487</b>	<b>25,36,22,540</b>
<b>2 Non-current liabilities</b>			
(a) Long term borrowings	4	64,23,38,333	-
(b) Deferred tax liabilities (Net)	29	6,96,879	2,384
(c) Long-term provisions	5	62,10,292	4,95,596
		<b>64,92,45,504</b>	<b>4,97,980</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	6	2,85,88,066	-
(b) Trade payables	30		
(i) Total outstanding dues to micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,85,301	9,48,782
(c) Other current liabilities	7	35,58,06,031	40,43,348
(d) Short-term provisions	8	2,84,648	53,336
		<b>38,48,64,046</b>	<b>50,45,466</b>
<b>TOTAL</b>		<b>2,03,46,21,037</b>	<b>25,91,65,986</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed Assets	9		
(i) Property, Plant and Equipment		1,58,57,728	10,30,547
(ii) Intangible assets		2,09,563	20,541
(iii) Intangible assets under development		30,00,000	-
		<b>1,90,67,291</b>	<b>10,51,088</b>
(b) Long-term loans and advances	10	1,74,12,40,020	5,27,57,779
(c) Other non-current assets	11	56,84,284	1,76,452
		<b>1,76,59,91,595</b>	<b>5,39,85,319</b>
<b>2 Current assets</b>			
(a) Current investments	12	5,00,00,000	-
(b) Cash and cash equivalents	13	15,26,17,177	19,63,65,990
(c) Short-term loans and advances	14	4,98,37,901	83,79,924
(d) Other current assets	15	1,61,74,364	4,34,753
		<b>26,86,29,442</b>	<b>20,51,80,667</b>
<b>TOTAL</b>		<b>2,03,46,21,037</b>	<b>25,91,65,986</b>

Significant Accounting Policies

1

Notes to Accounts

(21-36)

As per our attached report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande

Partner

Membership No. 034828

Place : MUMBAI

Date : MAY 9, 2018

For and on behalf of The Board of Centrum Housing Finance Limited

*Sridar Venkatesan*

Sridar Venkatesan

Director

DIN 02241339

*Mehul Jatania*

Mehul Jatania

CFO

*Sanjay Shukla*

Sanjay Shukla

Managing Director & CEO

DIN 06577462

*Alpesh Shah*

Alpesh Shah

Company Secretary

CENTRUM HOUSING FINANCE LIMITED				
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2018				
	Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
A	<b>INCOME</b>		<b>In Rs.</b>	<b>In Rs.</b>
1	Revenue from operations	16	10,44,63,255	14,63,838
2	Other income	17	1,45,73,571	1,32,95,931
3	<b>Total revenue (1+2)</b>		<b>11,90,36,826</b>	<b>1,47,59,769</b>
B	<b>EXPENSES</b>			
4	Finance costs	18	1,80,00,243	64,304
5	Employee benefits expenses	19	5,58,56,774	73,87,761
6	Depreciation and amortisation	9	12,22,351	56,855
7	Other expenses	20	3,99,67,559	69,30,212
8	<b>Total expenses (4+5+6+7)</b>		<b>11,50,46,927</b>	<b>1,44,39,132</b>
9	<b>Profit before tax (3-8)</b>		<b>39,89,899</b>	<b>3,20,637</b>
C	<b>Tax expense</b>			
10	Current tax		14,06,359	1,11,396
11	Deferred tax (Net)	29	6,94,495	2,384
12	<b>Total tax (10+11)</b>		<b>21,00,854</b>	<b>1,13,780</b>
13	<b>Profit after tax (9-12)</b>		<b>18,89,045</b>	<b>2,06,857</b>
14	<b>Earnings per share (FV Rs.10/-)</b>			
	(a) Basic	26	0.035	0.014
	(b) Diluted		0.035	0.014
	Significant Accounting Policies	1		
	Notes to Accounts	(21-36)		

As per our attached report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048

For and on behalf of The Board of Centrum Housing Finance Limited

Sumant Sakhardande

Partner

Membership No 034828

Place : MUMBAI

Date : MAY 9, 2018

Sridar Venkatesan

Director

DIN 02241339

Mehul Jatania

CFO

Sanjay Shukla

Managing Director & CEO

DIN 06577462

Alpesh Shah

Company Secretary

CENTRUM HOUSING FINANCE LIMITED				
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018				
Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	In Rs.	In Rs.	In Rs.	In Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before tax		39,89,899		3,20,637
Adjustment for:				
Depreciation	12,22,351		56,855	
Provision for compensated absences/gratuity	6,38,189		3,29,074	
Provision for standard assets	53,07,819		2,19,858	
Interest expenses	1,67,64,778		63,500	
Profit on sale of investments	(34,86,293)		(9,49,178)	
Interest income	(7,83,38,475)	(5,78,91,630)	(5,16,027)	(7,95,918)
<b>Operating Profit before working capital changes and adjustments for interest paid and interest received</b>		(5,39,01,731)		(4,75,281)
Adjustment For:				
(Increase)/Decrease In long-term loans and advances	(1,69,15,43,722)		(4,73,30,095)	
(Increase)/Decrease in other non current assets	(55,07,832)		(1,76,452)	
(Increase)/Decrease In short-term loans and advances	(4,14,57,977)		14,15,73,427	
Increase/(Decrease) in trade payables	(7,63,481)		9,23,765	
Increase/(Decrease) in other current liabilities	17,83,22,254		40,42,296	
Increase/(Decrease) in short-term provision	-		(20,993)	
Interest paid	(1,47,64,349)		(63,500)	
Interest received	6,25,98,863	(1,51,31,16,244)	81,274	9,90,29,722
<b>Cash used in operations before adjustment for taxes paid</b>		(1,56,70,17,975)		9,85,54,441
Taxes paid		(13,44,878)		(18,12,470)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		(1,56,83,62,853)		9,67,41,971
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets	(1,62,38,554)		(46,84,343)	
Purchase of investments	(82,00,00,000)		(14,50,00,000)	
Proceeds from sale of investments	77,34,86,293	(6,27,52,261)	14,59,49,178	(37,35,165)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		(6,27,52,261)		(37,35,165)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of share capital	74,49,99,902		10,49,99,958	
Proceeds from short term borrowings	2,85,88,066		-	
Proceeds from long term borrowings	83,50,00,000		-	
Repayment of long term borrowings	(2,12,21,667)	1,58,73,66,301	(17,10,468)	10,32,89,490
<b>NET CASH FROM FINANCING ACTIVITIES</b>		1,58,73,66,301		10,32,89,490
<b>Net Increase/(Decrease) in Cash and Cash Equivalent during the year</b>		(4,37,48,813)		19,62,96,296
<b>Cash &amp; Cash Equivalents as at beginning of year (refer note 13)</b>				
Cash on hand		13,877		-
Bank balance in current account		2,38,52,113		69,694
Fixed deposit (less than 3 month maturity)		17,25,00,000		-
<b>Total Cash &amp; Cash Equivalents as at beginning of year</b>		19,63,65,990		69,694
<b>Cash &amp; Cash Equivalents as at end of year</b>				
Cash on hand		71,134		13,877
Cheques in hand		13,75,20,655		-
Bank balance in current account		56,22,511		2,38,52,113
Fixed deposit (less than 3 month maturity)		94,02,877		17,25,00,000
<b>Total Cash &amp; Cash Equivalents as at end of year (refer note 13)</b>		15,26,17,177		19,63,65,990

The above cash flow statements have been prepared under the indirect method set out in Accounting Standard (AS-3)

As per our attached report of even date

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.103523W/W100048

Sulhant Sakhardande  
Partner  
Membership No 034828

Place : MUMBAI  
Date : MAY 9, 2018

For and on behalf of The Board of Centrum Housing Finance Limited

Sridar Venkatesan  
Director  
DIN 02241339

Mehul Jatania  
CFO

Sanjay Shukla  
Managing Director & CEO  
DIN 06577462

Alpesh Shah  
Company Secretary



**Notes forming part of the Financial Statements for the year ended March 31, 2018:**  
**CORPORATE INFORMATION**

Centrum Housing Finance Limited ("the Company") was incorporated on March 03, 2016 under the provisions of Companies Act 2013. The Company has received certificate of registration, under Section 29A of the National Housing Bank (NHB) Act, 1987 from the NHB on November 10, 2016 to carry on the business of a housing finance institution without accepting public deposits. The Company is a subsidiary of Centrum Capital Limited.

The main objects of the Company, *inter alia*, are to carry on the business of making loans and advances, providing financial and consultancy services to manage, invest in, acquire, and hold, sale, buy, or otherwise to deal in houses, apartments, flats, real estate and building of all descriptions.

**1. Significant Accounting Policies**

**a. Basis of Preparation**

The financial statements have been prepared in accordance with the generally accepted accounting principles in India ("Indian GAAP") under the historical cost convention on accrual basis, unless otherwise stated.

Accounting policies applied are consistent with those followed in the previous year except where different treatment is required as per new pronouncements made by the regulatory authorities. The Management evaluates, all recently issued or revised accounting pronouncements, on an ongoing basis.

**b. Use of Estimates**

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise. Examples of such estimates include provisions for non-performing loans, provisions for employee benefit plans and provisions for income taxes.

**c. Prudential Norms**

The Company follows The Housing Finance Companies (NHB) Directions, 2010 ("NHB Directions, 2010") as amended from time to time, in respect of income recognition, income from investments, accounting of investments, asset Classification, disclosures in the Balance Sheet and provisioning. Accounting Standards (AS) under Section 133 of the Companies Act, 2013 and Guidance Notes issued by The Institute of Chartered Accountants of India ("ICAI") are followed insofar as they are not inconsistent with the NHB Directions, 2010.



**d. Revenue Recognition**

- i. Interest on Loans - Interest income is recognized on accrual basis except in case of Non-Performing Assets (NPAs) where interest is recognised on realization as per NHB guidelines. Repayment of loans is generally by way of Equated Monthly Instalments (EMIs) comprising principal and interest. Interest is calculated on monthly rest basis on the principal outstanding at the beginning of the relevant period. EMI commences generally once the entire loan is disbursed. Pending commencement of EMI, pre-EMI interest is charged every month and is accounted on accrual basis.
- ii. Fees and Other Charges - Income from fees and other charges, viz., login fee, pre-payment charges etc., is recognized on receipt basis.
- iii. Income from Investments - Interest income on bank deposits/ bonds/ govt. securities is recognised on accrual basis. Dividend income is accounted for in the year in which the same is received.
- iv. Other Miscellaneous Income - Other income are accounted for on receipt basis.

**e. Property, Plant & Equipment**

Property, Plant & Equipment are stated at cost less accumulated depreciation and impairment, if any. Costs include all expenses incidental to the acquisition of the assets.

**f. Intangible Asset**

Intangible Assets comprising of system software are stated at cost of acquisition, including any cost attributable for bringing the same to its working condition, less accumulated amortisation. Any expenses on such software for support and maintenance payable annually are charged to the Statement of Profit and Loss.

**g. Intangible Assets under development**

It includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses.

**h. Impairment of Assets**

The carrying values of assets forming part of any cash generating units at Balance Sheet date are reviewed for impairment at each Balance Sheet date. If any indication for such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.



**i. Depreciation**

Depreciation is provided on the straight-line method over the estimated useful life of the asset as prescribed in Schedule II to the Companies Act 2013.

**j. Investments**

In accordance with Accounting Standard (AS-13) on "Accounting for Investments" and the guidelines issued by the NHB, investments are either classified as Current or Long-Term. Current investments are carried individually, at the lower of cost and fair value and long-term investments are carried individually at cost. For this purpose, the investments in each category shall be considered scrip-wise and the cost and fair value aggregated for all investments in each category. In case of unquoted units of schemes of mutual fund, NAV declared by respective mutual fund is considered as fair value.

**k. Earnings Per Share**

Basic and diluted earnings per share are computed by dividing the net profit/ (loss) after tax attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period.

**l. Income Taxes**

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – "Accounting for taxes on income". Income tax comprises both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the balance sheet date.

**m. Provisions for Contingencies**

The Company's policy is to carry adequate amounts towards Provision for Standard Assets, NPAs and other contingencies. All loans and other credit exposures where the instalments or interest are overdue for ninety days or more are classified as NPAs in accordance with the prudential norms prescribed in the Housing Finance Companies (NHB) Directions, 2010 as amended. The provisioning policy of the Company covers the minimum provisioning required as per the NHB guidelines. Excess provisions over and above provisioning requirement for Standard Assets and NPAs are carried under Provision for Contingencies Account.

**n. Loan Processing Charges**

Loan Processing Charges incurred for loans taken by the Company are amortized over the tenure of the loan or over a period of 60 months whichever is earlier.



**o. Loan Origination/Acquisition Cost**

Loan Origination/Acquisition costs incurred for loan origination are amortized over a period of five years.

**p. Operating Leases**

Lease payments for assets taken on operating lease are recognised as an expense in the statement of profit and loss as per terms of lease agreement.

**q. Employee Benefits**

Defined contribution plans

The Company makes specified monthly contributions towards employee provident fund to government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such benefit plan is based on actuarial valuation using the Projected Unit Credit Method which recognises each period of service that gives rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present value of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the statement of profit & loss.

Compensated Absences

Leave benefits for both short-term and long-term compensated absences are accounted for on actuarial valuation determined as at the year end. Actuarial gains and losses comprising of experience adjustments and effects of changes in actuarial assumptions, are recognised immediately in statement of profit and loss as income or expense.



CENTRUM HOUSING FINANCE LIMITED  
NOTES TO FINANCIAL STATEMENTS

Note 2 Share capital

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	In Rs.	Number	In Rs.
<b>(a) Authorised</b>				
Equity shares of Rs.10/- each	10,00,00,000	1,00,00,00,000	5,00,00,000	50,00,00,000
<b>(b) Issued, Subscribed, and Paid up</b>				
Equity shares of Rs.10/- each	9,99,99,986	99,99,99,860	4,99,99,986	25,49,99,958
<b>(i) Subscribed and fully paid up</b>				
Equity shares of Rs.10/- each fully paid	9,99,99,986	99,99,99,860	1,50,00,000	15,00,00,000
<b>(ii) Subscribed and partly paid up</b>				
Equity shares of Rs.10/- each [Partly paid up by Rs.3/-]	-	-	3,49,99,986	10,49,99,958
<b>Total</b>	<b>9,99,99,986</b>	<b>99,99,99,860</b>	<b>4,99,99,986</b>	<b>25,49,99,958</b>

Note 2.1 Reconciliation of number of shares at the beginning and at the end of the reporting period

	As at March 31, 2018		As at March 31, 2017	
	Number	In Rs.	Number	In Rs.
Equity shares o/s at beginning of the year	4,99,99,986	25,49,99,958	-	-
Add: Equity shares issued during the year	5,00,00,000	50,00,00,000	4,99,99,986	25,49,99,958
Add: Call money received during the year	-	24,49,99,902	-	-
<b>Equity shares o/s at the end of the year</b>	<b>9,99,99,986</b>	<b>99,99,99,860</b>	<b>4,99,99,986</b>	<b>25,49,99,958</b>

Note 2.2 Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	% of Holding	Number of Shares	% of Holding
1. Centrum Retail Services Limited	-	-	4,99,99,986	100
2. Centrum Capital Limited	7,59,99,986	76	-	-
3. B.G. Advisory Services LLP	2,40,00,000	24	-	-

Note 2.3 Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity share is entitled to one vote per share.

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

Note 2.4 Shares held by Holding/Ultimate Holding Company and/or their Subsidiaries/Associates

Name of Holding Company	As at March 31, 2018	As at March 31, 2017
	Number of Shares	Number of Shares
1. Centrum Retail Services Limited	-	4,99,99,986
2. Centrum Capital Limited	7,59,99,986	-

Note 2.5 Aggregate number of bonus share issued, shares issued for consideration other than cash and shares bought back during the period of three years immediately preceding the reporting date is NIL.



**CENTRUM HOUSING FINANCE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 3 Reserves and surplus**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
(a) Special Reserve Created under of Section 36(1)(viii) of the Income Tax Act, 1961 read with Section 29C of National Housing Bank Act, 1987 Closing balance	-	-
(b) Statutory Reserve Created under section 29C of National Housing Bank Act, 1987 Opening balance	90,795	-
Add: Additions	3,78,000	90,795
Less: Utilisations	-	-
Closing balance	<b>4,68,795</b>	<b>90,795</b>
(c) Surplus in the statement of Profit and Loss Opening balance	(14,68,213)	(15,84,275)
Add: Profit for the year	18,89,045	2,06,857
Statutory Reserve under section 29C of National Housing Bank Act, 1987	3,78,000	90,795
Closing balance	<b>42,832</b>	<b>(14,68,213)</b>
<b>Total</b>	<b>5,11,627</b>	<b>(13,77,418)</b>

**Note 4 Long-term borrowings**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
SECURED (a) Term loans from Banks	64,23,38,333	-
<b>Total</b>	<b>64,23,38,333</b>	<b>-</b>

**4.1 Nature of security:**

(a) Term loans from Banks are secured by hypothecation/specific charge over the receivables of the Company and corporate guarantee.

(b) Centrum Retail Services Limited and Centrum Capital Limited have given corporate guarantee for the loans availed by the Company.

**Maturity profile of Term loans from Banks:**

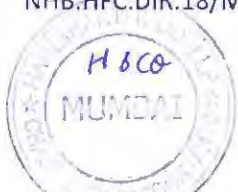
Maturities / Rate of interest	≤ 1 year	1-3 Years	3-5 Years	> 5 Years	Total
9-10%	17,14,40,000	34,28,80,000	29,94,58,333	-	81,37,78,333

**Note 5 Long-term provisions**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
(a) Provision for standard assets as per NHB norms *	53,81,607	1,86,829
(b) Provision for employee benefits - gratuity	-	1,23,004
(c) Provision for compensated absences	8,28,685	1,85,763
<b>Total</b>	<b>62,10,292</b>	<b>4,95,596</b>

**Note 5.1\***

(a) Provision for standard assets has been made in terms of National Housing Bank Notification No. NHB.HFC.DIR.18/MD&CEO/2017(1) dated 2nd August 2017.



**CENTRUM HOUSING FINANCE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 6 Short-term borrowings**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
SECURED		
(a) Cash credit from Banks	2,85,88,066	-
<b>Total</b>	<b>2,85,88,066</b>	<b>-</b>

6.1 (a) Cash credit from banks are secured by hypothecation/specific charge over the receivables of the Company.

**Note 7 Other current liabilities**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
(a) Current maturities of long term borrowings	17,14,40,000	-
(b) Interest accrued and due on borrowings	20,00,429	-
(c) Book overdraft	17,75,85,496	27,38,128
(d) Statutory dues payable	21,06,760	13,05,220
(e) Other payables	26,73,346	-
<b>Total</b>	<b>35,58,06,031</b>	<b>40,43,348</b>

**Note 8 Short-term provisions**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
(a) Provision for standard assets as per NHB norms*	1,46,070	33,029
(b) Provision for Employee benefits - gratuity (refer note 32)	1,10,677	620
(c) Provision for compensated absences	27,901	19,687
<b>Total</b>	<b>2,84,648</b>	<b>53,336</b>

**Note 8.1\***

(a) Provision for standard assets has been made in terms of National Housing Bank Notification No. NHB.HFC.DIR.18/MD&CEO/2017(1) dated 2nd August 2017.



Note 9 Fixed Assets

( In Rs.)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION			NET BLOCK	
	As at	Additions	Deductions	As at	As at	For the year ended	As at	As at	As at
	01-Apr-17			31-Mar-18	01-Apr-17	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-17
<b>PROPERTY, PLANT AND EQUIPMENT</b>									
Office Equipments	88,043	1,68,220	-	2,56,263	1,240	23,338	24,578	2,31,685	86,803
Computer	9,51,091	36,06,783	-	45,57,874	53,864	8,51,675	9,05,539	36,52,335	8,97,227
Furnitures & Fixtures	47,130	33,59,257	-	34,06,387	613	2,34,011	2,34,624	31,71,763	46,517
Vehicles	-	88,90,103	-	88,90,103	-	88,158	88,158	88,01,945	-
<b>INTANGIBLE ASSETS</b>									
Computer Software	21,679	2,14,191	-	2,35,870	1,138	25,169	26,307	2,09,563	20,541
<b>TOTAL</b>	<b>11,07,943</b>	<b>1,62,38,554</b>	<b>-</b>	<b>1,73,46,497</b>	<b>56,855</b>	<b>12,22,351</b>	<b>12,79,206</b>	<b>1,60,67,291</b>	<b>10,51,088</b>

Fixed Assets

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION			NET BLOCK	
	As at	Additions	Deductions	As at	As at	For the year ended	As at	As at	As at
	01-Apr-16			31-Mar-17	01-Apr-16	31-Mar-17	31-Mar-17	31-Mar-17	31-Mar-16
<b>PROPERTY, PLANT AND EQUIPMENT</b>									
Office Equipments	-	88,043	-	88,043	-	1,240	1,240	86,803	-
Computer	-	9,51,091	-	9,51,091	-	53,864	53,864	8,97,227	-
Furnitures & Fixtures	-	47,130	-	47,130	-	613	613	46,517	-
<b>INTANGIBLE ASSETS</b>									
Computer Software	-	21,679	-	21,679	-	1,138	1,138	20,541	-
<b>TOTAL</b>	<b>-</b>	<b>11,07,943</b>	<b>-</b>	<b>11,07,943</b>	<b>-</b>	<b>56,855</b>	<b>56,855</b>	<b>10,51,088</b>	<b>-</b>





**CENTRUM HOUSING FINANCE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 10 Long-term loans and advances**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
(a) Loans and advances		
Secured, considered good		
- Housing Loan	1,29,44,21,503	3,54,68,808
- Non Housing Loan	44,18,70,421	1,08,94,087
Substandard		
- Housing Loan	-	-
- Non Housing Loan	-	-
Doubtful & loss		
- Housing Loan	-	-
- Non Housing Loan	-	-
(b) Security deposit		
Unsecured, considered good	24,32,206	9,67,200
(c) Capital advance	8,76,297	37,26,610
(d) Advance tax (Net of provision for tax of Rs. 15,17,755) (PY: Rs.1,11,396)	16,39,593	17,01,074
<b>Total</b>	<b>1,74,12,40,020</b>	<b>5,27,57,779</b>

**Note 11 Other non-current assets**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
(a) Unamortized expenses: Loan acquisition cost		
(i) Unamortized loan acquisition cost	2,21,660	-
Add: Expenses during the period	42,22,286	2,26,041
Less: Amortized during the period	3,46,932	4,381
Closing balance	40,97,014	2,21,660
Less: To be amortized during next year (current portion)	8,79,772	45,208
<b>Total (A)</b>	<b>32,17,242</b>	<b>1,76,452</b>
(a) Unamortized expenses: Loan processing charges		
(i) Unamortized Loan processing charges	-	-
Add: Expenses during the period	34,10,000	-
Less: Amortized during the period	2,60,958	-
Closing balance	31,49,042	-
Less: To be amortized during next year (current portion)	6,82,000	-
<b>Total (B)</b>	<b>24,67,042</b>	<b>-</b>
<b>Total (A+B)</b>	<b>56,84,284</b>	<b>1,76,452</b>



**CENTRUM HOUSING FINANCE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 12 Current investments**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
(a) Investment in ICICI liquid income growth plan	5,00,00,000	-
<b>Total</b>	<b>5,00,00,000</b>	<b>-</b>

**12.1 (a) Aggregate of investments are in unquoted Mutual Funds**

	Book Value	Market Value (NAV)
As at March 31, 2018	5,00,00,000	5,00,84,644
Previous Year	-	-

**Note 13 Cash and cash equivalents**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
(a) Cash on hand	71,134	13,877
(b) Cheques on hand	13,75,20,655	-
(c) Balances with banks		
(i) In current accounts	56,22,511	2,38,52,113
(ii) FD with bank (maturity within 3 months)	94,02,877	17,25,00,000
<b>Total</b>	<b>15,26,17,177</b>	<b>19,63,65,990</b>
The whole amount denotes cash & cash equivalents as per A5-3 cash flow statements		

**Note 14 Short-term loans and advances**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
(a) Loans and advances		
Secured, considered good		
- Housing Loan	2,75,43,914	60,61,958
- Non Housing Loan	1,95,83,284	21,95,258
(b) Prepaid expenses - Unsecured, considered good	1,86,500	77,500
(c) Advance to CERSAI	16,327	-
(d) Insurance advance - Unsecured, considered good	9,46,104	-
(e) Unamortized loan acquisition cost	8,79,772	45,208
(f) Unamortized loan processing charges	6,82,000	-
<b>Total</b>	<b>4,98,37,901</b>	<b>83,79,924</b>

**Note 15 Other current assets**

Particulars	As at March 31, 2018	As at March 31, 2017
	In Rs.	In Rs.
(a) Accruals		
(i) Interest accrued on deposits	38,255	90,348
(ii) Interest receivable on loans	1,61,36,109	3,44,405
<b>Total</b>	<b>1,61,74,364</b>	<b>4,34,753</b>



**CENTRUM HOUSING FINANCE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 16 Revenue from operations**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	In Rs.	In Rs.
(a) Interest income on loans	7,79,18,135	5,16,027
(b) Other operating revenues	2,65,45,120	9,47,811
<b>Total</b>	<b>10,44,63,255</b>	<b>14,63,838</b>

**Note 17 Other income**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	In Rs.	In Rs.
(a) Interest income on deposits	1,06,61,018	1,23,30,416
(b) Other non-operating income (net of expenses directly attributable to such income)	39,12,553	9,65,515
<b>Total</b>	<b>1,45,73,571</b>	<b>1,32,95,931</b>

**Note 18 Finance costs**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	In Rs.	In Rs.
(a) Interest expense on Borrowings	1,67,64,778	63,500
(b) Other borrowing costs and Bank Charges	9,74,507	804
(c) Processing fees (amortized)	2,60,958	-
<b>Total</b>	<b>1,80,00,243</b>	<b>64,304</b>

**Note 19 Employee benefits expenses**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	In Rs.	In Rs.
(a) Salaries, wages and bonus	5,22,01,845	65,64,052
(b) Contributions to provident and other funds	36,15,681	8,23,709
(c) Staff welfare	39,248	-
<b>Total</b>	<b>5,58,56,774</b>	<b>73,87,761</b>



**CENTRUM HOUSING FINANCE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 20 Other expenses**

Particulars	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
	In Rs.	In Rs.
Advertisement	1,08,568	34,909
Audit Fees (refer note 20.1)	5,00,000	52,250
Brokerage	65,590	1,16,000
Bureau Report Charges	4,54,794	18,011
CERSAI Expenses	93,673	-
Communication Charges	6,94,322	38,902
Director Sitting Fees	6,00,000	40,000
Document Management	54,261	-
DSA Commission (amortized)	3,46,932	4,381
Filing Fees	55,93,127	37,07,287
Insurance Charges	66,620	-
Local Conveyance	4,22,903	1,35,485
Manpower Outsourcing	60,29,741	7,11,952
Membership & Subscription	1,84,292	45,254
Office Expenses	12,65,592	54,316
Printing & Stationery	7,19,681	1,25,977
Provision for Standard Assets as per NHB norms	53,07,819	2,19,858
Professional Fees	6,51,325	-
Rates and Taxes	1,46,898	15,200
Rent (refer note 25)	62,71,654	3,87,500
Repairs to Others	1,09,556	-
Software Subscription	31,97,700	-
Travelling Expenses	1,07,620	6,79,820
Travelling Expenses to Director	4,45,277	2,59,590
Underwriting Expenses	62,16,887	2,52,681
Miscellaneous Expenses	3,12,727	30,839
<b>Total</b>	<b>3,99,67,559</b>	<b>69,30,212</b>

**20.1 Audit Fees**

Statutory Audit	3,00,000	52,250
Limited Review	1,00,000	-
Certification Fees	1,00,000	-
<b>Total</b>	<b>5,00,000</b>	<b>52,250</b>



## Additional Information on the Financial Statements

### Notes:

- 21) Housing loan represent outstanding amount of housing loans disbursed to the customer. Non housing loan includes the payment made by the Company towards the insurance premium on behalf of the borrower (wherever applicable). Loans and instalments due from borrowers shown under Loans and Advances are secured wholly or partly by
- Equitable mortgage of property and/or
  - Pledge of shares, other securities, assignment of life insurance policies and/or
  - Bank guarantee, corporate guarantees, or personal guarantees and/or
  - Undertaking to create security
- 22) As per the Housing Finance Companies (NHB) Directions, 2010, non-performing assets are recognised on the basis of overdue for a period of ninety days or more. The total provision carried by the Company in terms of paragraph 29 (2) of the Housing Finance Companies (NHB) Directions, 2010, and subsequent NHB Circulars/Notifications - NHB.HFC. DIR.3/CMD/2011 dated August 5, 2011, NHB.HFC.DIR.4/CMD/2012 dated January 19, 2012, NHB.HFC. DIR.9/CMD/2013 dated September 6, 2013 and notification no. NHB.HFC.DIR.18/MD&CEO/2017[1] dated August 2, 2017 in respect of Housing and Non-Housing Loans is as follows.

	As at March 31, 2018		As at March 31, 2017	
	Outstanding Rs.	Provisions Rs.	Outstanding Rs.	Provision Rs.
<b>HOUSING LOAN:</b>				
<b>To Individuals</b>				
Standard Assets	1,32,19,65,417	36,81,863	4,17,77,786	1,67,111
Sub-Standard Assets	-	-	-	-
Doubtful Assets	-	-	-	-
Loss Assets	-	-	-	-
<b>To Non-Individuals</b>				
Standard Assets	-	-	-	-
Sub-Standard Assets	-	-	-	-
Doubtful Assets	-	-	-	-
Loss Assets	-	-	-	-
Floating provision	-	-	-	-
<b>Total (A)</b>	<b>1,32,19,65,417</b>	<b>36,81,863</b>	<b>4,17,77,786</b>	<b>1,67,111</b>

	As at March 31, 2018		As at March 31, 2017	
	Outstanding Rs.	Provisions Rs.	Outstanding Rs.	Provision Rs.
<b>NON HOUSING LOAN:</b>				
<b>To Individuals</b>				
Standard Assets	46,14,53,705	18,45,815	1,31,86,730	52,747

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Sub-Standard Assets	-	-	-	-
Doubtful Assets	-	-	-	-
Loss Assets	-	-	-	-
<b>To Non-Individuals</b>				
Standard Assets	-	-	-	-
Sub-Standard Assets	-	-	-	-
Doubtful Assets	-	-	-	-
Loss Assets	-	-	-	-
Floating provision	-	-	-	-
<b>Total (B)</b>	46,14,53,705	18,45,815	1,31,86,730	52,747
<b>TOTAL (A+B)</b>	1,78,34,19,122	55,27,677	5,49,64,516	2,19,858

23) Disclosures Required by the National Housing Bank

The following additional disclosures have been given in terms of the circular no. NHB/ND/DRS/Pol-No.35/2010-11 dated October 11, 2010 issued by the NHB.

**a. Capital to Risk Assets Ratio (CRAR)**

Category	As at March 31, 2018	As at March 31, 2017
i) CRAR (%)	86.81%	670.65%
ii) CRAR-Tier I Capital (%)	86.33%	670.07%
iii) CRAR-Tier II Capital (%)	0.48%	0.58%

**b. Exposure to Real Estate Sector**

In Rs.

S.No	Category	As at March 31, 2018	As at March 31, 2017
A	Direct Exposure		
i)	Residential Mortgages (including loan against residential property): Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented Out of which Individuals Housing Loans upto ₹15 lakh : Rs.66,51,78,074 (PY Rs.1,94,26,162)	1,72,43,12,056	5,49,64,516
ii)	Commercial Real Estate: Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse spaces, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits	-	-
iii)	Investment in Mortgage Backed Securities (MBS) and other securitized exposures-	-	-



	a) Residential b) Commercial Real Estate		
B	Indirect Exposure		
	Fund based and non-fund based exposures on NHB and Housing Finance Companies (HFCs)	-	-

**c. Exposure to Capital Markets:**

In Rs.

i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
ii)	Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures and units of equity-oriented mutual funds;	-	-
iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds /convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v)	Secured and unsecured advances to stock brokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi)	Loans sanctioned to corporates against the security of shares/bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii)	Bridge loans to companies against expected equity flows / issues;	-	-
viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total Exposure to Capital Markets	-	-



**d. Asset Liability Management:**

Maturity pattern of certain items assets and liabilities as at March 31, 2018

In Rs.

Items/time buckets	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Liabilities	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (one month)	2,94,99,444	-	-	43,12,773	-	-
Over 1 month to 2 months	28,33,333	-	-	43,99,197	5,00,00,000	-
Over 2 months to 3 months	28,33,333	-	-	44,41,346	-	-
Over 3 months to 6 months	3,51,66,111	-	-	1,35,81,023	-	-
Over 6 months to 1 year	9,89,20,288	-	-	2,83,56,202	-	-
Over 1 year to 3 years	28,13,28,888	-	-	11,34,24,808	-	-
Over 3 years to 5 years	24,61,62,777	-	-	12,50,00,000	-	-
Over 5 years to 7 years	14,56,22,225	-	-	15,00,00,000	-	-
Over 7 years to 10 years	-	-	-	35,00,00,000	-	-
Over 10 years	-	-	-	98,99,03,773	-	-
<b>Total</b>	<b>84,23,66,399</b>	<b>-</b>	<b>-</b>	<b>178,34,19,122</b>	<b>5,00,00,000</b>	<b>-</b>

- No negative mismatch
- Figures rounded off

**24) Related Party Transactions**

In terms of Accounting Standard 18 (AS-18) 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules, 2014, the disclosures of transactions with the related parties as defined in AS-18 are given below:





Holding Company	Centrum Capital Limited (Ultimate Holding Company till March 30, 2018) (Holding Company w.e.f. March 31, 2018) Centrum Retail Services Limited (Holding Company till March 30, 2018)
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- (a) Enterprise that exercises significant influence:  
BG Advisory Services LLP (w.e.f. February 20, 2018)
- (b) Key Managerial Personnel
- (i) Mr. Sanjay Shukla, Managing Director & CEO
- (ii) Mr. Mehul Jatania, Chief Financial Officer
- (iii) Mr. Alpesh Shah, Company Secretary

(c) Transactions carried out with the related parties in

In Rs.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Centrum Capital Limited		
- Subscription to Equity Shares	26,00,00,000	NIL
Closing Balance	75,99,99,860	NIL
Centrum Direct Limited		
- Reimbursement of Expenses	5,000	NIL
Closing Balance	NIL	NIL
Centrum Retail Services Limited		
- Loan Taken	NIL	1,50,000
- Loan Repaid	NIL	18,51,000
- Reimbursement of Expenses	31,33,688	65,31,102
- Call money received on Partly Paid up Equity Shares	24,49,99,902	10,49,99,958
- ICD given during the year	9,50,00,000	NIL
- ICD matured during the year	9,50,00,000	NIL
- Interest expenses	NIL	63,500
- Interest income on ICD	47,02,466	NIL
Closing Balance	NIL	NIL
Centrum Wealth Management Limited		
- ICD given during the year	3,20,00,000	NIL
- ICD matured during the year	3,20,00,000	NIL
- Interest income on ICD	21,53,973	NIL
Closing Balance	NIL	NIL
Centrum Financial Services Limited		
- ICD given during the year	10,00,00,000	NIL
- ICD matured during the year	10,00,00,000	NIL
- Interest income on ICD	4,36,986	NIL
Closing Balance	NIL	NIL



Mr. Sanjay Shukla (Managing Director & CEO) Salary and Allowances, cont. to PF etc. Closing Balance	1,24,32,109 16,00,000	NIL NIL
Mr. Mehul Jatania (Chief Financial Officer) Salary and Allowances, cont. to PF etc. Closing Balance	11,76,000 NIL	NIL NIL

25) The Company has entered into cancellable lease arrangements for the premises. The lease rentals of Rs.62,71,654/- (PY Rs. 3,87,500) have been included under the head Rent under Note 20 of Statement of Profit and Loss. The total of future minimum lease payment that company is committed to make is:

In Rs.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Not later than 1 year	32,14,344	-
Later than 1 year but not later than 5 years	35,03,888	-
Later than 5 years	-	-

26) Reporting Under Accounting Standard AS-20- Earnings per Share (EPS): the Basic and Diluted Earnings per Share have been calculated based on the profit after tax and the weighted average number of shares during the year. Information in respect of Earnings per Share (EPS), pursuant to AS-20 is as under:

Particulars	As at March 31, 2018	As at March 31, 2017
a) Profit after tax (In Rs.)	18,89,045	2,06,857
b) No. of shares (In Nos.) as at the year end	9,99,99,986	4,99,99,986
c) Weighted average number of equity shares for Basic EPS and Diluted EPS	5,45,17,112	1,50,28,767
d) Basic EPS (a/c) (In Rs.)	0.035	0.014
e) Diluted EPS (a/c) (In Rs.)	0.035	0.014

27) Reporting Under Accounting Standard AS-17 Segment Reporting:

The Company's main business is to provide loans against/for purchase, construction, repairs & renovations of Houses/Flats/Commercial Properties etc. All other activities of the Company revolve around the main business. As such, there are no separate reportable segment, as per the Accounting Standard on Segment Reporting (AS-17), notified by the Companies (Accounting Standards) Rules, 2016.



- 28) As per Section 29C of National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit every year to a reserve before any dividend is declared. Accordingly, the Company has transferred Rs. 3,78,000 to Reserve Fund (u/s 29C of NHB Act, 1987) during the year.

**Statement as per NHB circular No. NHB(ND)/ DRS/ Pol.Circular.61/ 2013  
14 Dt. April 7, 2014**

Particulars	In Rs.	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	-	-
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	90,795	-
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
c) Total	90,795	-
<b>Addition/Appropriation/ Withdrawal during the year</b>		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	3,78,000	90,795
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
<b>Balance at the end of the year</b>		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	4,68,795	90,795
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under, Section 29C of the NHB Act, 1987	-	-
c) Total	4,68,795	90,795

- 29) In accordance with the Accounting Standard 22 on Accounting for Taxes on Income, the Company has made adjustments in its accounts for deferred tax liabilities / assets.

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are:



In Rs.

A)	Deferred Tax Liability	For the year ended March 31, 2018	For the year ended March 31, 2017
	Depreciation (diff. of depreciation as per IT & Companies Act)	5,55,623	77,962
	Un-amortized DSA Commission	18,79,625	99,861
	<b>TOTAL (A)</b>	<b>24,35,248</b>	<b>1,77,823</b>
B)	Deferred Tax Assets		
	Provision for compensated absences	2,33,330	65,662
	Provision for Gratuity	68,009	39,510
	Provision for Standard Assets	14,37,030	70,267
	<b>TOTAL (B)</b>	<b>17,38,369</b>	<b>175,439</b>
	<b>(A)-(B)</b>	<b>6,96,879</b>	<b>2,384</b>

30) The Company has the process of identification of 'suppliers' registered under the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006, by obtaining confirmation from all suppliers. The company has not received intimation from any of the 'suppliers' regarding their status under MSMED Act, 2006 and hence disclosure if any, relating to amounts unpaid as at the year-end together with interest paid / payable as required have not been furnished.

31) Contingent Liabilities and Commitments  
Contingent Liabilities not provided for:

In Rs.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Claims against the Company, not acknowledged as debts	Nil	Nil
Other contingent liability	Nil	Nil

32) In respect of employees directly recruited by the company, contribution to Provident Fund is made at the prescribed rate.

33) Disclosure Under AS-15- Employee Benefits:

- The Company makes its share of contributions to the Provident Fund as per defined benefit plan. The Company has no further obligations apart from its contributions. Such contributions are recognized as expenditure in the Profit & Loss account.
- Gratuity: In accordance with the payment of Gratuity Act 1972, the Company provides for Gratuity covering eligible employees.

#### A. Defined Contribution Plan:

The Company has recognised the following amounts in the statement of Profit and Loss.



In Rs.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Employer Contribution to Provident Fund	23,51,784	4,60,445

**B. Defined Benefit Plan:****(a) Contribution to Gratuity Fund (Funded Scheme):**

In accordance with the Accounting Standard (AS - 15) (Revised 2005), actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan based on the following assumptions:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest/Discount Rate	7.87%	7.66%
Rate of increase in compensation	5.00%	5.00%
Retirement Age	60 years	60 years
Mortality Table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

During the year the Company has provided Rs.4,87,503 (PY Rs.1,23,624) as gratuity liability based on the actuarial report.

**(b) Change in the Present Value of Projected Benefit Obligation**

In Rs.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Present Value of Benefit Obligation at the Beginning of the Period</b>	1,23,624	-
Interest Cost	9,470	-
Current Service Cost	4,05,608	1,23,624
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit Incurred During the Period	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-

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(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(17,533)	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	99,177	-
Present Value of Benefit Obligation at the End of the Period	6,20,346	1,23,624

**(c) Change in the Fair Value of Plan Assets**

In Rs.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Fair Value of Plan Assets at the Beginning of the Period	-	-
Expected Return on Plan Assets	-	-
Contributions by the Employer	5,00,000	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred out/Divestments)	-	-
(Benefits Paid from the Fund)	-	-
(Assets distributed on settlements)	-	-
(Expenses and Tax for Managing the Benefit Obligations -paid from the fund)	-	-
Effects of Assets Ceiling	-	-
The effect of Changes in Foreign Exchange Rates	9,669	-
Actuarial Gains/(Losses) on Plan Assets- Due to experience	5,09,669	-

**(d) Actual Return on Plan Assets**

In Rs.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Expected Return on Plan Assets	-	-
Actuarial Gains/(Losses) on Plan Assets - due to Experience	9,669	-
Actual Return on Plan Assets	9,669	-



**(e) Amount recognised in the Balance Sheet**

In Rs.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening Net Liability	1,23,624	-
Expense Recognized in Statement of Profit or Loss	4,87,053	1,23,624
Net Liability/(Assets) Transfer In	-	-
Net Liability/(Assets) Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	(5,00,000)	-
Net Liability/(Asset) Recognized in the Balance Sheet	1,10,677	1,23,624

**(f) Category of Assets**

In Rs.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash and Cash equivalents	-	-
Insurance Fund	5,09,000	-
Asset-Backed Securities	-	-
Structured debts	-	-
Other	-	-
Total	5,09,000	-

**(g) Experience Adjustment**

In Rs.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial Gains/(Losses) on Obligations - due to Experience	99,177	-
Actuarial Gains/(Losses) on Plan Assets - due to Experience	9,669	-

The Company expects to contribute approximately Rs. 8,02,141 to the gratuity fund for the next 12 months.



### C. Compensated Absences

During the year the Company has provided Rs. 6,51,136 (PY Rs. 2,05,450) as liability towards compensated absences based on Actuarial Report.

34) Disclosure regarding penalty or adverse comments as per Housing Finance Companies (NHB) Directions, 2010. During the current year, the Company has not been imposed any penalty by National Housing Bank.


35) The Company has not entered into any long term contract including derivative contract which may have any material foreseeable losses.

36) Previous Year Figures

Previous year figures have been re-classified and re-grouped whenever required.


As per our report of even date

**For Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 103523W/W100048

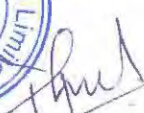
  
Sumant Sakhardande  
Partner  
Membership No. 034828


Date : MAY 9, 2018  
Place : MUMBAI

For and on behalf of The Board of  
**Centrum Housing Finance Limited**

  
Sridar Venkatesan  
Director  
DIN 02241339

  
Sanjay Shukla  
Managing Director & CEO  
DIN 06577462

  
Mehul Jatania  
CFO

  
Alpesh Shah  
Company Secretary