

**CENTRUM**  
Insurance

*Kal Ki Guarantee ... Aaj Se!*



# Centrum Insurance Brokers Limited

Annual Report 2021-22

# Contents

- General Corporate Information
- Directors' Report
- Auditors' Report
- Financial Statements

## **Board of Directors**

**Mr. Sriram Venkatasubramanian**  
Non-executive Director

**Mr. Shailendra Apte**  
Non-executive Director

**Mr. Anirudh Jain**  
Non-executive Director

**Mr. Hemendra Sawant**  
Whole-time Director

## **Corporate Information**

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

**Tel** – 022 – 42159000

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

**Corporate Identification Number:**  
U66000MH2016PLC273496

**Statutory Auditors:**  
M/s. Ketan Negandhi & Associates

**Registrar & Share Transfer Agents:**

**Link Intime India Private Limited**  
C 101, 247 Park, LBS Rd, Surya Nagar,  
Gandhi Nagar, Vikhroli West, Mumbai -  
400083

# Directors Report

## DIRECTORS' REPORT

To  
The Members,  
Centrum Insurance Brokers Limited

Your Directors are pleased to present their Seventh Annual Report together with the audited accounts of the Company for the year ended as on March 31, 2022.

### **FINANCIAL HIGHLIGHTS:**

Particulars	(Rs. in Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Gross Income	419.56	585.68
Profit/ (Loss) before tax	10.08	104.77
Less: Taxation Expenses	(3.86)	(3.95)
Profit /(Loss) after tax	6.22	108.72
Add: Other comprehensive income/(loss) for the year	(0.69)	1.75
Add: Balance of profit/ (loss) for earlier years	(21.03)	(131.51)
Balance carried forward	(15.52)	(21.03)

### **Financial Performance and state of Company's affairs**

The Gross income (standalone) from operations of the Company is Rs. 419.56 Lakhs in 2021-22 as against Rs. 585.68 lakhs in the previous year 2020-21. The net profit after tax for the year under review of Rs. 6.22 lakh in 2021-22 as against net profit after tax for the year under review of Rs. 108.72 Lakhs in 2020-21.

### **TRANSFER TO RESERVES:**

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

### **DIVIDEND:**

With a view to conserve resources, the Directors decided not to recommend any dividend for the financial year 2021-22.

### **SUBSIDIARIES, JOINT VENTURE AND ASSOCIATED COMPANIES:**

The Company does not have any subsidiary, joint venture and associate company and therefore, disclosure in Form AOC-1 is not applicable.

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

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year 2021-22 and the date of this report

### **CHANGE IN NATURE OF BUSINESS:**

There is no change in nature of Business of the Company during the period under review.

**CHANGE IN SHARE CAPITAL/ SHARE HOLDING:**

There were no changes in the share capital of the Company during the period under review.

**EXTRACTS OF ANNUAL RETURN.**

The Annual Return of the Company as on March 31, 2022, in Form MGT-7 in accordance with Section 92(3) of the Companies Act, 2013 (“the Act”) read with the Companies (Management and Administration) Rules, 2014, shall be filed with Registrar of Companies.

**AUDITORS AND AUDITORS’ REPORT:**

M/s. Ketan Negandhi & Associates (Chartered Accountants) (Firm Registration No. 116834W) were appointed by the Board of Directors at its Meeting held on May 21, 2018 as Statutory Auditors for the term of five years’ subject to approval of the members of the Company. The said appointment was approved by the members of the Company at third Annual General Meeting dated August 13, 2018. Pursuant to Section 141 of the Act, the Auditors have represented that they are not disqualified and continue to be eligible to act as the Auditor of the Company.

There are no qualifications of the Auditors in their report for the financial year 2021-22.

**COST AUDITOR:**

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

**SECRETARIAL AUDITOR:**

The provisions of Section 204 of the Companies Act, 2013 is not applicable to the Company.

**DIRECTORS AND KEY MANAGERIAL PERSONEL:**

In accordance with the provisions of the Companies Act, 2013, and the Articles of Association of the Company, Mr. Shailendra Apte (DIN: 00017814), retires by rotation in the forthcoming Annual General Meeting and being eligible to offers himself for re-appointment. There were no further changes in the Board/KMPs, during the financial year under review.

**MEETINGS OF THE BOARD AND COMMITTEES:**

Four meetings of the Board were held during the year. The names of members of the Board, their attendance at the Board Meetings are as under:

Name of Director	Number of Meetings eligible to attend	Number of Meetings attended
Hemendra Sawant	4	4
Shailendra Apte	4	4
Sriram Venkatasubramanian	4	4
Anirudh Jain	4	4

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 (the “Act”).

**RISK MANAGEMENT POLICY**

The company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. The primary risks identified are market, credit, financial, operational and regulatory risks. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Company. Together they help in achieving the business goals and objectives consistent with the Company's strategies to prevent inconsistencies and gaps between its policies and practices.

In the opinion of the Board, during the financial year 2021-22, the Board has not noticed any elements of risk, which may threaten the existence of the Company.

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

The Company has disclosed full particulars of loans given, investments made or guarantees given or securities provided in the notes forming a part of the financial statement provided in this Annual Report.

**INTERNAL FINANCIAL CONTROL AND ADEQUACY:**

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

**RELATED PARTY TRANSACTIONS:**

Transaction entered with Related Party for the period under review was on arm's length basis and in the ordinary course of business. Thus, disclosure in Form AOC-2 is not required by the Company.

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

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

**DISCLOSURES BY DIRECTORS:**

The Directors on the Board have submitted notice of interest under section 184(1) and intimation under section 164(2). Since the Company is a wholly owned subsidiary of Centrum Retail Services Limited the requirement of appointing Independent Directors is not applicable to the Company.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. that had 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 / loss of the Company for that period.
- iii. that proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts have been prepared on a going concern basis;
- v. that proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **PERFORMANCE EVALUATION**

Performance evaluation is not applicable to the Company.

#### **CORPORATE SOCIAL RESPONSIBILITY**

Since the Company does not fall under the criteria stated under section 135 of the Act, the Company has not developed or implemented a policy for Corporate Social Responsibility. In view of the same no CSR initiative was undertaken by the Company.

#### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING 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.

Details of foreign exchange earnings and outgo are as below:

<b>Particulars</b>	<b>2021-22 (Rs.)</b>	<b>2020-21 (Rs.)</b>
Foreign exchange earned in terms of actual inflows	Nil	Nil
Foreign exchange outgo in terms of actual outflows	Nil	Nil

#### **HUMAN RESOURCE AND EMPLOYEE RELATIONSHIP.**

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

The Company has adopted "Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace" and has also constituted an Internal Complaints Committee (ICC).

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.

## **VIGIL MECHANISM**

The Company is not required to establish Vigil Mechanism since the Company does not fall under the criteria specified in Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014.

## **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 were 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.
6. The Annual Report may be accessed on [www.centrum.co.in](http://www.centrum.co.in).

## **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 Insurance Brokers Limited**

**Shailendra Apte**  
Director  
DIN: 00017814

**Hemendra Sawant**  
Whole-Time Director  
DIN: 08842983

**Place: Mumbai**  
**Date: May 05, 2022**

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

# Financial Statements



TEL. (O): 24151330  
: 24151332  
MOB: 9819804377

# KETAN NEGANDHI & ASSOCIATES

KETAN N NEGANDHI ( B. COM., F.C.A. )  
CHARTERED ACCOUNTANTS

E-mail : ketannegandhi@gmail.com

6/C VISSANJI PARK,  
M.M.G.S. MARG, OPP RASTRIYA HOTEL  
DADAR (E), MUMBAI 400 014.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRUM INSURANCE BROKERS LIMITED Report on the Standalone Ind AS Financial Statements

### Opinion

We have audited the accompanying standalone Ind AS financial statements of **CENTRUM INSURANCE BROKERS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2022, its Profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

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



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

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

When we read the director report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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



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

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

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

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

### **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, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, 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.
  - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As no dividend was declared or paid during the year by the Company, no reporting is required about the compliance to S.123 of the Act.

For Ketan N Negandhi & Associates.  
Chartered Accountants  
FRN-116834W

*Ketan N Negandhi*

Ketan N Negandhi  
Proprietor  
M.no.-102241



Mumbai  
Date: - 5<sup>th</sup> May 2022  
Udin No 22102241AIKRDU5204



TEL. (O): 24151330  
: 24151332  
MOB: 9819804377

## KETAN NEGANDHI & ASSOCIATES

KETAN N NEGANDHI ( B. COM., F.C.A. )  
CHARTERED ACCOUNTANTS

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6/C VISSANJI PARK,  
M.M.G.S. MARG, OPP RASTRIYA HOTEL  
DADAR (E), MUMBAI 400 014.

### Annexure 1 to the Independent Auditors' Report – March 31<sup>st</sup>, 2022 (Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all fixed assets are periodically verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification
  - (c) As the company does not hold any immovable property, paragraph 3(i)(c) of the Order is not applicable to the company.
  - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has granted unsecured loan to a company during the year, in respect of which:



- (a) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loan is disclosed under Note 26 to the Financial Statements under 'Related Party disclosures'
  - (b) The company has not made any investment during the year and as such reporting under clause 3(ii)(b) is not applicable.
  - (c) In respect of loan granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
  - (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
  - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. As explained to us, except profession tax of Rs 23100/-, the Company did not have any undisputed dues outstanding for a period of more than six months from the date payable on account of sales tax, wealth tax, customs duty, service tax, excise duty, cess, investor education and protection fund and employees' state insurance, to the extent applicable, as at March 31, 2022
  - (b) According to the information and explanations given to us, there were no disputed amounts payable in respect of income-tax, service tax and other material statutory dues as at March 31, 2022
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As the company does not belong to class to which vigil mechanism is applicable under the Act and Rules, clause xi (c) of the order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) As no internal auditor was appointed by the Company, the audit reports were not available for the consideration.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company is not liable for contribution to Corporate Social Responsibility (CSR) under Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Ketan N Negandhi & Associates.  
Chartered Accountants  
FRN-116834W

*Ketan N Negandhi*

Ketan N Negandhi  
Proprietor  
M.no.-102241



Mumbai  
Date: - 5<sup>th</sup> May 2022  
Udin:22102241AIKRDU5204



TEL. (O): 24151330  
: 24151332  
MOB: 9819804377

## KETAN NEGANDHI & ASSOCIATES

KETAN N NEGANDHI ( B. COM., F.C.A. )  
CHARTERED ACCOUNTANTS

E-mail : ketannegandhi@gmail.com

6/C VISSANJI PARK,  
M.M.G.S. MARG, OPP RASTRIYA HOTEL  
DADAR (E), MUMBAI 400 014.

### 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 INSURANCE BROKERS LIMITED** on the standalone Ind AS financial statements for the year ended March 31, 2022.

**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 INSURANCE BROKERS LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 standalone Ind AS financial statements, whether due to fraud or error.

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

#### **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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Ketan N Negandhi & Associates.  
Chartered Accountants  
FRN-116834W

*Ketan N Negandhi*

Ketan N Negandhi  
Proprietor  
M.no.-102241



Mumbai  
Date: - 5<sup>th</sup> May 2022  
Udin: 22102241AIKRDU5204

**Centrum Insurance Brokers Limited**  
**Balance sheet as at 31st March 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31-Mar-22	As at 31-Mar-21
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment & Intangible assets	2	14.81	16.60
<b>Financial assets</b>			
i. Other financial assets	3	10.00	10.00
Deferred tax assets (net)	4	3.26	5.85
Other non-current assets	5	118.58	84.76
		<u>146.65</u>	<u>117.22</u>
<b>Current assets</b>			
<b>Financial Assets</b>			
i. Trade receivables	6	0.48	(1.18)
ii. Cash and cash equivalents	7	85.01	172.95
iii. Bank balances other than (ii) above	8	-	-
iv. Loans	9	747.00	707.00
v. Other financial assets	3	-	-
Other current assets	10	56.26	93.65
		<u>888.75</u>	<u>912.42</u>
<b>Total</b>		<u><b>1,035.40</b></u>	<u><b>1,029.63</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	11	1,040.00	1,040.00
Other equity	12	(15.52)	(21.03)
		<u>1,024.48</u>	<u>1,018.97</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
i. Other financial liabilities	15	-	-
Provisions	13	1.15	3.65
Deferred tax liabilities (Net)	4	-	-
		<u>1.15</u>	<u>3.65</u>
i. Trade Payables	14	-	-
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises		-	-
(b) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		17.09	2.53
iii. Other financial liabilities	15	-	3.20
Other current liabilities	16	4.41	4.46
Provisions	13	(11.73)	(3.18)
		<u>9.77</u>	<u>7.01</u>
<b>Total</b>		<u><b>1,035.40</b></u>	<u><b>1,029.63</b></u>

The accompanying notes are an integral part of these financial statements  
 As per our report of even date

For Ketan Negandhi & Associates  
 Chartered Accountants  
 Firm Registration No:- 116834W

*Ketan N. Negandhi*  
 Ketan N. Negandhi  
 Proprietor  
 Membership No:- 102241



*Hemendra Sawant*  
 Hemendra Sawant  
 Whole Time Director  
 DIN : 08842983

*Anurudh Jain*  
 Anurudh Jain  
 Director  
 DIN : 06739367

Place : Mumbai  
 Date : May 05, 2022



*Sharvari More*  
 Sharvari More  
 CFO

*Sunita Gohil*  
 Sunita Gohil  
 Company Secretary

UDIN 22102241AIKRDU5204

**Centrum Insurance Brokers Limited**  
**Statement of Profit and Loss for the period ended 31st March 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Period Ended	Period Ended
		31-Mar-22	31-Mar-21
<b>Income</b>			
Revenue from operations	17	304.74	487.27
Other Income	18	114.82	98.41
<b>Total Income</b>		<b>419.56</b>	<b>585.68</b>
<b>EXPENSES</b>			
Employee benefit expense	19	49.07	168.80
Depreciation and amortisation expense	20	3.10	7.80
Finance costs	21	-	-
Other expenses	22	357.31	304.31
<b>Total expenses</b>		<b>409.48</b>	<b>480.91</b>
<b>Profit before tax</b>		<b>10.08</b>	<b>104.77</b>
Tax expense			
Current tax		1.04	0.45
Deferred tax		2.82	(4.40)
<b>Profit for the year - (A)</b>		<b>6.22</b>	<b>108.72</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
I. Remeasurement of Defined Benefit scheme		(0.92)	2.34
II. Income tax effect		0.23	(0.59)
<b>Other Comprehensive Income for the year (net of tax) - (B)</b>		<b>(0.69)</b>	<b>1.75</b>
<b>Total Comprehensive Income for the year (A+B)</b>		<b>5.53</b>	<b>110.48</b>
<b>Earning per Equity Shares</b>			
Basic		0.05	1.05
Diluted		0.05	1.05

The accompanying notes are an integral part of these financial statements  
 As per our report of even date

For Ketan Negandhi & Associates  
 Chartered Accountants  
 Firm Registration No:- 116834W

*Ketan N Negandhi*

Ketan N. Negandhi  
 Proprietor  
 Membership No:- 102241



For and on behalf of the Board of Directors  
 Centrum Insurance Brokers Limited

*Hemendra Sawant*

Hemendra Sawant  
 Whole Time Director  
 DIN : 08842983

*Anirudh Jain*

Anirudh Jain  
 Director  
 DIN : 06739367



*Sharvari More*

Sharvari More  
 CFO

*Sunita Gohil*

Sunita Gohil  
 Company Secretary

Place : Mumbai  
 Date : May 05, 2022

UDIN 22102241AIKRDU5204

Centrum Insurance Brokers Limited  
**Statement of Changes in Equity for the period ended 31st March 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

**A. Equity Share Capital**  
 As on 31-03-2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,040.00	-	1,040.00	-	1,040.00

As on 31-03-2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,040.00	-	1,040.00	-	1,040.00

**B. Other Equity**

31-03-2022														
Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against shares warrants	Total
Balance at the beginning of the current reporting period	-	-	-	-	-	(21.05)	-	-	-	-	-	-	-	(21.05)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	(21.05)	-	-	-	-	-	-	-	(21.05)
Total Comprehensive Income for the current year	-	-	-	-	-	(7.65)	-	-	-	-	-	-	-	(7.65)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	6.22	-	-	-	-	-	-	-	6.22
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	-	-	(15.50)	-	-	-	-	-	-	-	(15.50)



31-03-2021														
Reserves and Surplus														
Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
Balance at the beginning of the current reporting period	-	-	-	-	-	(131.51)	-	-	-	-	-	-	-	(131.51)
Changes in accounting policy or prior period errors Restated balance at the beginning of the current reporting period	-	-	-	-	-	(131.51)	-	-	-	-	-	-	-	(131.51)
Total Comprehensive Income for the current year	-	-	-	-	-	1.75	-	-	-	-	-	-	-	1.75
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	108.72	-	-	-	-	-	-	-	108.72
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	-	-	(20.03)	-	-	-	-	-	-	-	(20.03)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Ketan Megandhi & Associates  
Chartered Accountants  
Firm Registration No: 116834W

*Ketan M Megandhi*

Ketan M. Megandhi  
Proprietor  
Membership No: 102261

Place: Mumbai  
Date: 1 May 05, 2022

UDIN: 22102261ABRDLU5264

For and on behalf of the Board of Directors  
Centrum Insurance Brokers Limited

*Harish Ghant*  
Harish Ghant  
Whole Time Director  
DIN: 08542983  
*Shivaji More*  
Shivaji More  
COO



*Mam*  
Anuraj Jain  
Director  
DIN: 06739087  
*Surita Dohil*  
Surita Dohil  
Company Secretary



**Centrum Insurance Brokers Limited**  
**Cash Flow Statement for the period ended 31st March 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

Particulars	Period Ended 31-Mar-22	Year ended 31-Mar-21
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	10.08	104.77
Adjustments for :		
Interest Expenses		
Interest income	(114.82)	(84.73)
Interest on Income Tax Refund		(13.68)
Depreciation/Amortisation	3.10	7.80
Profit on sale of fixed assets		-
Employee Benefits	(0.92)	2.34
Operating loss before working capital changes	(102.57)	16.50
Movement in working capital:		
Decrease/(Increase) in trade receivables	(1.66)	105.09
Decrease/(Increase) in other current asset	(22.61)	3.56
Increase/(Decrease) in trade payable	14.56	-40.87
Increase/(Decrease) in financial liabilities	(3.20)	3.16
Increase/(Decrease) in other current liabilities	(0.05)	10.65
Increase/(Decrease) in provisions	(11.05)	-0.53
Cash (used in) operations	(126.58)	385.92
Taxes paid Net of Refund	34.85	137.56
Net cash used in Operating Activities ( A )	(161.42)	248.35
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment in Fixed Deposits		
Proceeds from closure of Fixed Deposits		40
Net proceeds from sale of Fixed assets	-1.34	0.17
Purchase of Fixed Assets		
Loans/advances given to related party	(40.00)	(269.00)
Loans/advances received back		37
Interest received on Fixed Deposits		
Interest on loan given to related Party	114.82	84.73
Net cash used in Investing Activities ( B )	73.48	(107.09)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Shares		
Repayment of Short Term Borrowing		
Interest paid		
Net cash generated from Financing Activities ( C )		-
Net increase in cash and cash equivalents (A+B+C)	(87.94)	141.27
As at the beginning of the year	172.95	31.68
Closing cash and cash equivalents	85.01	172.95
As at the end of the year (refer note 7)		
Cash in hand including foreign currencies		-
Balance with scheduled banks-Current accounts	85.01	172.95
Closing cash and cash equivalents	85.01	172.95

The cash flow statement has been prepared under the Indirect method as set out in Indian Accounting Standard (Ind AS) -7 statement of ca

As per our report of even date

For Ketan Negandhi & Associates  
 Chartered Accountants  
 Firm Registration No:- 116834W

Ketan N. Negandhi

Ketan N. Negandhi  
 Proprietor  
 Membership No:- 102241



For and on behalf of the Board of Directors  
 Centrum Insurance Brokers Limited

Hemendra Sawant  
 Whole Time Director  
 DIN : 08842983

Anirudh Jain  
 Director  
 DIN : 06739367



Sharvari More

Sunita Gohil  
 CFO Company Secretary

Place : Mumbai  
 Date : May 05, 2022

UDIN 22102241AIKRDU5204

**Centrum Insurance Brokers Limited**  
**Notes to the Financial Statements for the period ended and as at 31st March 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

**2. Property, plant & equipment & Intangible assets**

Particulars	Furnitures and Fixtures	Office Equipments	Computer Hardware	Computer Software	Total
<b>Gross Block</b>					
As at 31st March, 2020	8.55	6.96	20.19	9.62	45.32
Additions - Mar 21				-	-
Disposals - Mar 21				-	-
<b>As at 31st March, 2021</b>	<b>8.55</b>	<b>6.96</b>	<b>17.68</b>	<b>9.62</b>	<b>42.81</b>
Additions - Mar 22			1.32		1.32
Disposals - Mar 22			(0.40)		(0.40)
<b>As at 31st March, 2022</b>	<b>8.55</b>	<b>6.96</b>	<b>18.60</b>	<b>9.62</b>	<b>43.73</b>
<b>Accumulated Depreciation</b>					
As at 31st March, 2020	1.62	2.66	14.39	2.07	20.74
Additions - Mar 21	0.82	1.32	4.75	0.91	7.81
Disposals - Mar 21			2.35		2.35
<b>As at 31st March, 2021</b>	<b>2.45</b>	<b>3.98</b>	<b>16.80</b>	<b>2.99</b>	<b>26.21</b>
Additions - Mar 22	0.81	1.32	0.05	0.91	3.10
Disposals - Mar 22			0.38		0.38
<b>As at 31st March, 2022</b>	<b>3.26</b>	<b>5.30</b>	<b>16.46</b>	<b>3.90</b>	<b>28.92</b>
<b>Net Block</b>					
As at 31st March, 2022	5.29	1.66	2.14	5.72	14.81
As at 31st March, 2021	6.10	2.99	0.89	6.64	16.60
As at 31st March, 2020	6.93	4.30	5.80	7.55	24.58



**Centrum Insurance Brokers Limited**  
**Notes to the Financial Statements for the period ended and as at 31st March 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

3. OTHER FINANCIAL ASSETS	As at 31-Mar-22	As at 31-Mar-21
<b>Current</b>		
Security deposits	-	-
Other assets	-	-
<b>Non current</b>		
Bank Deposits more than 12 months	10.00	10.00
<b>Total Current</b>	<u>-</u>	<u>-</u>
<b>Total Non-Current</b>	<u>10.00</u>	<u>10.00</u>
<b>4. DEFERRED TAX ASSET/(LIABILITY)</b>	<b>As at 31-Mar-22</b>	<b>As at 31-Mar-21</b>
Opening Balance	5.85	2.04
Deferred Tax Assets :		
On A/c of Employee benefit expenses	(3.35)	(1.84)
On A/c of Depreciation/Amortisation	(0.58)	1.18
On A/c of MAT credit Entitlement		
On A/c of Other Liabilities and Provisions	1.34	4.47
Deferred Tax Liability :		
On A/c of Employee benefit expenses		
On A/c of Depreciation/Amortisation		
On A/c of MAT credit Entitlement		
On A/c of Other Liabilities and Provisions		
<b>Total</b>	<u>3.26</u>	<u>5.85</u>

4. (a) MOVEMENT IN DEFERRED TAX ASSETS AND LIABILITIES

Particulars	Property, plant & equipment	Provision for Employee benefits	MAT Credit Entitlement	Other Liabilities and Provisions	Total
As at 31st March 2020	(1.53)	2.77	-	0.80	2.04
Charged / (Credited)					
- to profit or loss	1.18	(1.25)		4.47	4.40
- to other comprehensive income		(0.59)			(0.59)
As at 31st March 2021	(0.34)	0.92	-	5.27	5.85
Charged / (Credited)					
- to profit or loss	(0.58)	(3.59)		1.34	(2.82)
- to other comprehensive income		0.23			0.23
As at 31st March 2022	(0.93)	(2.43)	-	6.61	3.26



**Centrum Insurance Brokers Limited**  
**Notes to the Financial Statements for the period ended and as at 31st March 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

5. OTHER NON-CURRENT ASSETS	As at 31-Mar-22	As at 31-Mar-21
Advance Tax [Net off Provision for Tax - Rs. 1.04 lakh, (31/03/21 -Rs. 0.45 lakh)]	118.58	84.76
<b>Total</b>	<b>118.58</b>	<b>84.76</b>
6. TRADE RECEIVABLES	As at 31-Mar-22	As at 31-Mar-21
Trade Receivables considered good - Secured		-
Trade Receivables considered good - Unsecured Related Party		-
Trade Receivables considered good - Unsecured	26.64	19.51
Trade Receivables which have significant increase in Credit Risk		-
Trade Receivables - credit impaired		-
Less: Allowances for Trade Receivables	(26.16)	(20.68)
<b>Total</b>	<b>0.48</b>	<b>(1.18)</b>

6.a No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further no trade or other receivable are due from firms or private companies respectively in which any director is a partner, or director or member.

6.b The company's exposure to credit risk related to trade receivables are disclosed in note number 28.

6.c Trade Receivables ageing schedule

As on 31-03-2022

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	(6.03)	6.51				0.48
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	26.16			26.16
(iii) Undisputed Trade Receivables – credit impaired	-	-	-			-
(iv) Disputed Trade Receivables–considered good	-	-	-			-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-			-
(vi) Disputed Trade Receivables – credit impaired	-	-	-			-

As on 31-03-2021

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	(6.75)	5.58				(1.16)
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	20.67			20.67
(iii) Undisputed Trade Receivables – credit impaired	-	-	-			-
(iv) Disputed Trade Receivables–considered good	-	-	-			-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-			-
(vi) Disputed Trade Receivables – credit impaired	-	-	-			-

7. CASH AND CASH EQUIVALENTS	As at 31-Mar-22	As at 31-Mar-21
Balances with banks - In current accounts	85.01	172.95
Cash on hand	-	-
<b>Total</b>	<b>85.01</b>	<b>172.95</b>

7.a There are no restrictions with regards to bank balances as at the end of the reporting period and prior periods.

8. OTHER BANK BALANCES	As at 31-Mar-22	As at 31-Mar-21
Deposit with original maturity of more than 3 months and less than 12 months	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**Centrum Insurance Brokers Limited**

Notes to the Financial Statements for the period ended and as at 31st March 2022

(All amounts in INR Lakhs, unless otherwise stated)

		As at 31-Mar-22	As at 31-Mar-21
9.	<b>LOANS</b> (Unsecured, considered good unless otherwise stated)		
	Loans to related parties	747.00	707.00
	<b>Total</b>	<u>747.00</u>	<u>707.00</u>

**Loans and Advances granted to Promoters, Directors, KMPs, and Related Parties**

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Percentage to the total Loans and Advances in the nature of loans	Percentage to the total Loans and Advances in the nature of loans
	31-03-2022	31-03-2022	31-03-2021	31-03-2021
Promoters				
Directors				
KMPs				
Related Parties	747.00	100%	707.00	100%

		As at 31-Mar-22	As at 31-Mar-21
10.	<b>OTHER CURRENT ASSETS</b>		
	Balances with Government authorities	33.43	14.26
	Accrued Interest on Fixed Deposit & ICD	0.13	0.13
	Prepaid Expenses	2.05	2.79
	Deposit with Insurance Companies	0.20	0.10
	Accrued Commission Income	20.45	16.37
	<b>Total</b>	<u>56.26</u>	<u>33.65</u>



**Centrum Insurance Brokers Limited**  
**Notes to the Financial Statements for the period ended and as at 31st March 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

		As at 31-Mar-22	As at 31-Mar-21		
<b>11. EQUITY SHARE CAPITAL</b>					
Authorized Share Capital					
1,15,45,500 (31-Mar-22: 1,15,45,500) equity shares of Rs. 10 each		1,154.55	1,154.55		
<b>Total</b>		<b>1,154.55</b>	<b>1,154.55</b>		
Issued, subscribed and fully paid up Share Capital					
1,03,99,996 (31-March-22: 1,03,99,996) equity shares of Rs. 10 each		1,040.00	1,040.00		
<b>Total</b>		<b>1,040.00</b>	<b>1,040.00</b>		
<b>11.a Reconciliation of shares outstanding at the beginning and at the end of the year</b>		As at 31-Mar-22	As at 31-Mar-21		
		No of shares	No of shares		
<b>For equity shares:</b>					
Number of shares Outstanding at beginning of the year		1,03,99,996	1,03,99,996		
Add: Shares issued during the year		-	-		
<b>Number of shares Outstanding at the end of the year</b>		<b>1,03,99,996</b>	<b>1,03,99,996</b>		
<b>11.b Rights, preferences and restrictions attached to shares</b>					
The company has issued only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares 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.					
<b>11.c Particulars of shareholders holding more than 5% of aggregate shares</b>		As at 31-Mar-22	As at 31-Mar-22	As at 31-Mar-21	As at 31-Mar-21
		No of shares	%	No of shares	%
<b>Equity shares</b>					
Centrum Retail Services Limited		1,03,99,996	100	1,03,99,996	100
<b>Total</b>		<b>1,03,99,996</b>	<b>100</b>	<b>1,03,99,996</b>	<b>100</b>
<b>11.d Particulars of Shareholding of Promoters</b>					
<b>Shares held by promoters at the end of the March 22</b>					
<b>Promoter name</b>	<b>No. of Shares</b>	<b>%of total shares</b>		<b>% Change during the year</b>	
Centrum Retail Services Limited	1,03,99,996	100%		0%	
<b>Shares held by promoters at the end of the March 21</b>					
<b>Promoter name</b>	<b>No. of Shares</b>	<b>%of total shares</b>		<b>% Change during the year</b>	
Centrum Retail Services Limited	1,03,99,996	100%		0%	
<b>12. OTHER EQUITY</b>		As at 31-Mar-22	As at 31-Mar-21		
As at 1st April, 2020		(131.52)	(412.08)		
Profit for the year - Mar 21		108.72	277.46		
Other comprehensive income - Mar 21		1.75	3.08		
<b>As at 31st March, 2021</b>		<b>(21.03)</b>	<b>(131.52)</b>		
Profit for the year - March 22		6.22	108.72		
Other comprehensive income - Mar 22		(0.69)	1.75		
<b>As at 31st March, 2022</b>		<b>(15.52)</b>	<b>(21.03)</b>		



Centrum Insurance Brokers Limited

Notes to the Financial Statements for the period ended and as at 31st March 2022

(All amounts in INR Lakhs, unless otherwise stated)

13. PROVISIONS		As at 31-Mar-22	As at 31-Mar-21	
Provision for Gratuity				
Current		3.40	10.39	
Non current		-	-	
LIC Gratuity Asset Fund		15.58	14.41	
Provision for Compensated Absences				
Current		0.25	0.85	
Non current		1.15	3.65	
<b>Total Current</b>		<b>(11.73)</b>	<b>(3.18)</b>	
<b>Total Non-Current</b>		<b>1.15</b>	<b>3.65</b>	
14. TRADE PAYABLES		As at 31-Mar-22	As at 31-Mar-21	
Total Outstanding dues of Micro Enterprises and Small Enterprises		-	-	
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		17.09	2.53	
<b>Total</b>		<b>17.09</b>	<b>2.53</b>	
Trade Payables ageing schedule				
Mar-22				
Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	-	-
(ii) Others	17.09	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>17.09</b>	<b>-</b>	<b>-</b>	<b>-</b>
Trade Payables ageing schedule				
Mar-21				
Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	-	-
(ii) Others	2.53	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>2.53</b>	<b>-</b>	<b>-</b>	<b>-</b>
15. OTHER FINANCIAL LIABILITIES		As at 31-Mar-22	As at 31-Mar-21	
Current				
Employee related liabilities		-	3.20	
Others		-	-	
Non current				
Employee related liabilities		-	-	
<b>Total Current</b>		<b>-</b>	<b>3.20</b>	
<b>Total Non-Current</b>		<b>-</b>	<b>-</b>	
16. OTHER CURRENT LIABILITIES		As at 31-Mar-22	As at 31-Mar-21	
Statutory dues payable		2.92	4.01	
Current Tax Liability		1.49	0.45	
<b>Total</b>		<b>4.41</b>	<b>4.46</b>	



**Centrum Insurance Brokers Limited**

Notes to the Financial Statements for the period ended and as at 31st March 2022

(All amounts in INR Lakhs, unless otherwise stated)

	Year ended 31-Mar-22	Year ended 31-Mar-21
<b>17. REVENUE FROM OPERATIONS</b>		
Insurance Brokerage Income	304.74	487.27
<b>Total</b>	<b>304.74</b>	<b>487.27</b>
<b>18. OTHER INCOME</b>		
Interest Income from Fixed Deposits	0.61	9.10
Interest Income - Other	114.21	81.69
Interest on Income Tax Refund	-	13.68
<b>Total</b>	<b>114.82</b>	<b>98.41</b>
<b>19. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, wages and bonus	54.28	158.08
Contributions to provident and other fund	3.39	8.54
Staff welfare expenses	0.19	0.05
Gratuity Expense	(8.80)	2.13
<b>Total</b>	<b>49.07</b>	<b>168.80</b>
<b>20. DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation on property, plant and equipment	3.10	7.80
<b>Total</b>	<b>3.10</b>	<b>7.80</b>
<b>21. FINANCE COSTS</b>		
Interest on Borrowings	-	-
Other Interest payments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>22. OTHER EXPENSES</b>		
Rent	8.04	21.12
Rates & taxes	-	0.42
Computer / Software Expenses	1.55	1.65
Insurance	3.59	4.11
Meeting and seminars	106.52	34.98
Business Support Service	169.51	202.36
Legal & professional fees	48.41	10.47
Travelling and conveyance	0.06	0.26
Audit fees	0.25	0.25
Allowance for trade receivables	5.47	17.75
Office expenses	13.91	10.94
<b>Total</b>	<b>357.31</b>	<b>304.31</b>



**Centrum Insurance Brokers Limited**

**Notes to the Financial Statements for the period ended and as at 31st March 2022**

(All amounts in INR Lakhs, unless otherwise stated)

<b>22. (a) Auditors' remuneration</b>		
Audit Fees - Statutory Audit	0.25	0.25
<b>Total</b>	<b>0.25</b>	<b>0.25</b>
<b>23. INCOME TAX EXPENSE</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31-Mar-22</b>	<b>31-Mar-21</b>
<b>Current tax</b>		
Current tax on profits for the year	1.04	0.45
<b>Total current tax expense</b>	<b>1.04</b>	<b>0.45</b>
<b>Deferred tax</b>		
Increase/(Decrease) in Deferred tax asset	2.82	4.40
<b>Total deferred tax expense/(benefit)</b>	<b>2.82</b>	<b>4.40</b>
<b>Income tax expense</b>	<b>3.86</b>	<b>4.85</b>
<b>Reconciliation of effective Tax Rate</b>		
Profit before income tax expense	10.08	104.77
Enacted income tax rate in India applicable to the Company 25.168% (March 2021: 25.168%)	2.54	26.37
<b>Tax effect of:</b>		
Previously unrecognised tax losses now recouped to reduce current tax expenses	-	(25.53)
Adjustment in deferred tax through OCI	(0.23)	(0.59)
Adjustment in deferred tax of previous years	0.21	-
Adjustment of provision for doubtful debts in deferred tax:	1.38	4.46
Others	(0.03)	5.13
<b>Income tax expense</b>	<b>3.86</b>	<b>4.85</b>
<b>Weighted average tax rate for the year</b>	<b>38.30%</b>	<b>4.63%</b>



**Centrum Insurance Brokers Limited****Notes to the Financial Statements for the period ended and as at 31st March 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**24. CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the quarter ended March 31, 2022 and March 31, 2021.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises share capital and reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio is as follows.

Particulars	As at 31-Mar-22	As at 31-Mar-21
<b>Borrowings</b>		
Long term and Short term borrowings	-	-
Less: cash and cash equivalents	85.01	172.95
<b>Adjusted net debt</b>	<b>(85.01)</b>	<b>(172.95)</b>
<b>Total Equity</b>	<b>1,024.48</b>	<b>1,018.97</b>
<b>Adjusted net debt to adjusted equity ratio</b>	<b>-8%</b>	<b>-17%</b>

**25. EMPLOYEE BENEFITS****A. Defined Contribution Plans**

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

The expense recognised during the year towards defined contribution plan

Particulars	Period Ended 31-Mar-22	Period Ended 31-Mar-21
Employer's Contribution to Provident Fund	2.96	7.76
Provident Fund Administration charges	0.36	0.73
Employer's Contribution to ESIC	-	0.03

**B. Defined Benefit Plans**

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination/resignation/superannuation is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service subject to payment ceiling of INR 20 Lakhs. The gratuity plan is a Unfunded plan.



**Centrum Insurance Brokers Limited**

**Notes to the Financial Statements for the period ended and as at 31st March 2022**

(All amounts in INR Lakhs, unless otherwise stated)

(i) Expenses recognised in statement of profit and loss during the year

Particulars	Period Ended 31-Mar-22	Period Ended 31-Mar-21
Current Service Cost	0.56	2.38
Past Service Cost	-	-
Expected return on plan assets	-	-
Interest cost on benefit obligation	(0.82)	(0.25)
<b>Total Expenses</b>	<b>(0.26)</b>	<b>2.13</b>

(ii) Expenses recognised in OCI

Particulars	Period Ended 31-Mar-22	Period Ended 31-Mar-21
Actuarial (Gain) / Losses due to Change in Financial Assumptions	0.60	0.05
Actuarial (Gain)/ Losses due to Change in Experience	0.36	(2.50)
Actuarial (Gain)/ Losses due to Change in Demographic Assumptions	(0.00)	-
Return on Plan Assets (Greater) / Less than Discount rate	(0.04)	0.11
<b>Total Expenses</b>	<b>0.92</b>	<b>(2.34)</b>

(iii) Net Asset / (Liability) recognised as at balance sheet date

Particulars	Period Ended 31-Mar-22	Period Ended 31-Mar-21
Present value of defined benefit obligation at the end of the year	3.40	10.39
Fair Value of Plan Assets at the end of the year	15.38	14.41
Funded status [Surplus/(Deficit)]	11.98	4.03
Net (Liability)/Asset Recognized in the Balance Sheet	11.98	4.03

(iv) Movements in present value of defined benefit obligation

Particulars	Period Ended 31-Mar-22	Period Ended 31-Mar-21
Present value of defined benefit obligation at the beginning of the year	10.39	9.81
Current Service Cost	0.56	2.38
Past service cost	-	-
Interest Cost	0.11	0.64
(Liability Transferred Out/ Divestments)	(8.63)	-
Actuarial (Gain) / Losses due to Change in Financial Assumptions	0.60	0.05
Actuarial (Gain)/ Losses due to Change in Experience	0.36	(2.50)
Actuarial (Gain)/ Losses due to Change in Demographic Assumptions	(0.00)	-
Benefits paid	-	-
<b>Present value of defined benefit obligation at the end of the year</b>	<b>3.40</b>	<b>10.39</b>

(v) Movements in fair value of the plan assets

Particulars	Period Ended 31-Mar-22	Period Ended 31-Mar-21
Opening fair value of plan assets	14.41	13.62
Expected returns on Plan Assets	0.04	(0.11)
Actuarial (Gain)/Loss on Plan assets	-	-
Contribution from Employer	-	-
Benefits paid	-	-
Interest Income	0.94	0.89
<b>Closing fair value of the plan asset</b>	<b>15.38</b>	<b>14.41</b>



**Centrum Insurance Brokers Limited**
**Notes to the Financial Statements for the period ended and as at 31st March 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**(vi) Maturity Analysis of defined benefit obligation**

The weighted average duration of the defined benefit obligation is 8 years (March, 2019 – 13 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Period Ended 31-Mar-22	Period Ended 31-Mar-21
1st following year	0.21	1.11
2nd following year	0.24	1.07
3rd following year	0.30	1.04
4th following year	0.29	1.02
5th following year	0.30	0.96
Sum of years 11 and above	1.39	4.07
Sum of years 11 and above	4.06	8.34

**(vii) Quantitative sensitivity analysis for significant assumptions**

Particulars	Period Ended 31-Mar-22	Period Ended 31-Mar-21
Increase/(decrease) on present value of defined benefit obligation at the end of the year		
(i) +100 basis points increase in discount rate	(0.26)	(0.65)
(ii) -100 basis points decrease in discount rate	0.30	0.74
(iii) +100 basis points increase in rate of salary increase	0.29	0.53
(iv) -100 basis points decrease in rate of salary increase	(0.26)	(0.50)
(v) -100 basis points decrease in rate of Employee Turnover	(0.05)	0.08
(v) -100 basis points decrease in rate of Employee Turnover	0.05	(0.94)

**Sensitivity analysis method**

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

**(viii) Actuarial Assumptions**

Particulars	Period Ended 31-Mar-22	Period Ended 31-Mar-21
Discount rate	6.49%	6.56%
Salary Growth rate		
- for Next 2 years	0.00%	0.00%
- for 3rd year	6.26%	6.26%
- from 4th year onwards	5.00%	5.00%
Rate of Employee Turnover	10.00%	10.00%
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

**(ix) Risks associated with Defined Benefit Plan**

- 1) Interest Rate risk:** A fall in the discount rate which is linked to the G.Sec rate will increase the present value of the liability requiring higher provision.
- 2) Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of members more than assumed level will increase the plan's liability.
- 3) Asset Liability Matching Market Risk:** The plan faces the ALM risk as to the matching cash flows. Company has to manage pay-out based on pay as you go basis from own funds.
- 4) Mortality Risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**(x) Defined benefit liability and employer contributions**

Expected contributions to post-employment benefit plans for the year ending 31 March 2022 are Rs Nil.



**Centrum Insurance Brokers Limited**

**Notes to the Financial Statements for the period ended and as at 31st March 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**26. RELATED PARTY TRANSACTIONS**

As per the Indian Accounting Standard on 'Related Party Disclosures' (Ind AS 24), the related parties of the Company with whom there have been transactions during the year, are as follows:

(i) List of Related Parties

**Relationship**

1. Ultimate Holding Company
2. Holding of the entity having joint control
3. Other Related Parties (members of same group)

**4. Key Managerial Personnel (KMP)**

**Name of the Parties**

- Centrum Capital Limited  
 Centrum Retail Services Limited  
 Centrum Wealth Management Limited  
 Centrum Financial Service Limited  
 Miss. Sunitha Gohil  
 Mr. Hemendra Sawant  
 Mrs. Sharvari More

(ii) Details of transactions

Name of the related party	Description	Transaction during		Receivable / (Payable)	
		Period Ended 31-Mar-22	Period Ended 31-Mar-21	As at 31-Mar-22	As at 31-Mar-21
Centrum Capital Limited	Business Support Fees (Branding cross charge)	1.76	-	-	-
Centrum Retail Services Limited	Reimbursement of other expenses	0.80	2.11	0.04	0.07
	Professional Charges - Management	100.00	100.00	-	-
	Rent Expenses	8.04	21.12	-	-
	Interest Income	114.21	81.63	-	-
	Loan Given	320.00	269.00	747.00	707.00
	Loan Received back	280.00	37.00	-	-
Centrum Wealth Management Limited	Sale of Assets (Transfer)	0.02	0.10	-	-
	Purchase of Fixed Assets	0.66	-	-	-
	Reimbursement of other expenses	0.36	-	-	-
Centrum Financial Services Limited	Sale of Assets (Transfer)	-	0.05	-	-
Miss Sunitha Gohil	Salary to KMP	5.10	0.40	-	-
	Reimbursement of Expenses	0.00	-	-	-
Mr. Hemendra Sawant	Salary to KMP	11.55	11.25	-	-
	Reimbursement of Expenses	0.15	0.06	-	-
Mrs. Sharvari More	Salary to KMP	12.50	12.73	-	-
	Reimbursement of Expenses	0.05	0.06	-	-

\* Gratuity and Leave encashment has been computed for the company as a whole and hence excluded.



**Centrum Insurance Brokers Limited****Notes to the Financial Statements for the period ended and as at 31st March 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**27. FAIR VALUE MEASUREMENTS****Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Particulars	As at	As at	As at	As at
	31-Mar-22	31-Mar-22	31-Mar-21	31-Mar-21
	Carrying value	Fair Value	Carrying value	Fair Value
<b>Financial Assets (measured at amortized cost)</b>				
Cash and cash equivalents	85.01	85.01	172.95	172.95
Loans	747.00	747.00	707.00	707.00
Other financial assets	-	-	-	-
<b>Total</b>	<b>832.01</b>	<b>832.01</b>	<b>879.95</b>	<b>879.95</b>
<b>Financial Liabilities (measured at amortized cost)</b>				
Borrowings	-	-	-	-
Trade payables	17.09	17.09	2.53	2.53
Other financial liabilities	-	-	3.20	3.20
<b>Total</b>	<b>17.09</b>	<b>17.09</b>	<b>5.73</b>	<b>5.73</b>

**Measurement of fair value**

Management assessed that fair value of above financial asset and financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

**28. FINANCIAL RISK MANAGEMENT**

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

**A. Credit Risk**

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

**(i) Trade and Other receivables**

The Company had trade and other receivables of Rs. 9.37 Lakh at Mar 31, 2022 (Mar 31, 2021:Rs.11.69 Lakh) which being short term in nature, no provision is required to be made.

**(ii) Cash and bank balances**

The Company held cash and bank balance of Rs. 85.01 Lakh at Mar 31, 2022 (Mar 31, 2021:Rs. 172.95 Lakh). The same are held with bank and financial institution counterparties with good credit rating therefore does not expose the company to credit risk.



**Centrum Insurance Brokers Limited****Notes to the Financial Statements for the period ended and as at 31st March 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**B. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

**Maturities of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Particulars	1 year or less	1-2 years	Total
<b>As at 31st March 2022</b>			
Short Term Borrowings	-	-	-
Trade Payables	17.09	-	17.09
Other financial liabilities	-	-	-
<b>Total</b>	<b>17.09</b>	<b>-</b>	<b>17.09</b>
<b>As at 31st March 2021</b>			
Short Term Borrowings	-	-	-
Trade Payables	2.53	-	2.53
Other financial liabilities	3.20	-	3.20
<b>Total</b>	<b>5.73</b>	<b>-</b>	<b>5.73</b>

**C. Cash Flow and Fair Value Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company main interest rate risk arises from long-term borrowings with variable rates.

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

**D. Foreign Currency Risk**

The Company caters mainly to the Indian Market. Most of the transactions are denominated in the company's functional currency i.e. Rupees. Hence the Company is not exposed to Foreign Currency Risk.

**29. EARNING PER SHARE**

Particulars	Period Ended 31-Mar-22	Period Ended 31-Mar-21
i) Profit after Taxes attributable to equity shareholders	6.22	108.72
ii) Number of equity shares of Rs.10 each issued and outstanding at the end of the year (nos)	1,03,99,996	1,03,99,996
iii) Weighted average number of shares outstanding at the end of the year (nos)	1,03,99,996	1,03,99,996
iv) Basic earnings per share	0.06	1.05
v) Diluted earning per share	0.06	1.05

**30. CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	As at 31-Mar-22	As at 31-Mar-21
Contingent liabilities and commitments	Nil	Nil



**Centrum Insurance Brokers Limited**

**Notes to the Financial Statements for the period ended and as at 31st March 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**31. CAPITAL AND OTHER COMMITMENT**

Capital expenditure contracted for the reporting year net of capital advance amounting Rs. Nil (March 31, 2021 : Nil)

**32. SEGMENT REPORTING**

The Executive Director of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (AS 108), for the purpose of assessing the financial performance and position of the Company, and making strategic decisions. The Company's business activity is related to rendering of Insurance Brokerage Services in the field of Life Insurance, General Insurance, and Health Insurance, which is primarily assessed as a single reportable operating segment in accordance with Ind AS 108 by the CODM. The Company mainly operates in India and has revenue from a single customer exceeding 10% of the total revenue.

**33. RATIOS**

	31-Mar-22	31-Mar-21
Current Ratio	90.97	130.16
Debt-Equity Ratio,	0.01	0.01
Debt Service Coverage Ratio	NA	NA
Return on Equity Ratio	0.01	0.11
Inventory turnover ratio	NA	NA
Trade Receivables turnover ratio	2.00	10.13
Trade payables turnover ratio,	36.42	3.83
Net capital turnover ratio,	0.40	0.56
Net profit ratio,	0.01	0.19
Return on Capital employed,	0.01	0.10
Return on investment	NA	NA

34. The provisions of Section 135 (Corporate Social Responsibility) of the Companies Act, 2013 read together with the rules framed there under relating to CSR initiatives which need to be undertaken by specified companies are at present not applicable to the Company.

35. Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year. The financial statements were authorised for issue by the Company's Board of directors on 05/05/2022.

As per our report of even date

For Ketan Negandhi & Associates  
Chartered Accountants  
Firm Registration No:- 116834W

Ketan N. Negandhi  
Proprietor  
Membership No:- 102241

Place : Mumbai  
Date : May 05, 2022  
UDIN 22102241A1KRDU5204



For the Period Ended  
31st March, 2022

Hemendra Sawant  
Whole Time Director  
DIN : 08842983

Sharvari More  
CFO

For and on behalf of the Board of Directors  
Centrum Insurance Brokers Limited

Anrudh Jain  
Director  
DIN : 06739367

Sunita Gohil  
Company Secretary

## Corporate Information

Centrum Insurance Brokers Limited ('Company') is a Public Limited Company incorporated and domiciled in India. The Company's registered office is in Mumbai, Maharashtra, India. These financial statements correspond to the standalone financial statements of the Company. The Company is primarily involved in the business of rendering Insurance Broking services.

The immediate Parent Company is Centrum Retail Services Limited (CRSL) and the Ultimate Parent Company is Centrum Capital Limited, a Company incorporated in Mumbai, India.

### 1.0 Significant accounting policies

#### 1.1 Basis of Preparation

The Financial Statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention and on accrual basis of accounting except as mentioned below.

- Certain financial assets and liabilities are measured at fair value.
- Defined benefit plans – assets are measured at fair value.

GAAP comprises of Indian Accounting Standards (Ind AS) as specified in Section 133 of the Companies Act, 2013 (The 'Act'), pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. Accounting policies have been consistently applied to all the years presented.

The Company has applied following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

#### ***Ind AS 115, Revenue from Contracts with Customers***

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, effective April 1, 2018, on a modified retrospective basis, applying the standard to all contracts that are not completed as such date. The adoption of Ind AS 115 did not have any significant financial impact and accordingly, no adjustments are made to the amounts recognised in the financial statements. The adoption has resulted in changes to accounting policies and mandated certain disclosures.

#### 1.2 Statement of Compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) and other relevant provisions of the Act.

#### 1.3 Property, plant and equipment

Property, Plant & Equipment's are stated at cost less accumulated depreciation, amortization and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.



#### Transition to Ind AS

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

#### Depreciation

Depreciation on property, plant and equipment is provided on straight-line method over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013.

Assets	Estimated useful life specified under Schedule II of the Companies Act 2013
Computers	3 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Leasehold Improvements	3 years

#### 1.4 Intangible assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

#### Transition to Ind AS

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

#### Subsequent expenditure

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



#### Amortisation

The Company capitalizes software and related implementation cost where it is reasonably estimated that the software has an enduring useful life. Software including operating system licenses are amortized over their estimated useful life of 10 years.

#### 1.5 Borrowing cost

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

#### 1.6 Impairment of property, plant and equipment and intangible assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's each class of the property, plant and equipment or intangible assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

#### 1.7 Revenue recognition

Revenue is recognised at point in time when economic benefits will flow to the Company and the amount of the revenue can be reliably measured with no uncertainty as regards to ultimate collection.

##### Revenue from services

Income from Insurance Commission and Brokerage are accounted on accrual basis.

The company earns brokerage commission from insurance and reinsurance companies on placement of insurance policies and revenue is recognised from the policy risk start date i.e. when the policy is substantially completed & accepted and ultimate collection thereof is reasonably certain. The company present revenue net of taxes in the statement of profit and loss.

#### 1.8 Employee benefits

##### Defined contribution plans

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

##### Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance



## Notes to the Financial Statements for the year ended March 31, 2022

sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

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

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

### Compensated absences:

Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit Method.

All actuarial gains / losses are immediately taken to the Profit and Loss account and are not deferred.

## 1.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

### Deferred tax

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

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

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



## Notes to the Financial Statements for the year ended March 31, 2022

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

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the company has a legally enforceable right for such setoff.

MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

### Current and deferred tax for the year

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

### 1.10 Financial instruments

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

#### A. Financial assets

##### (i) Classification, recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

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

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

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

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



Notes to the Financial Statements for the year ended March 31, 2022

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortised cost.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance Income. Any gain and loss on de-recognition of the financial instrument measured at amortised cost recognised in profit and loss account.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in income statement.  Interest income, transaction cost and discount or premium on acquisition are recognized in to income statement (finance income) using effective interest rate method.  On de-recognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to



Notes to the Financial Statements for the year ended March 31, 2022

				Profit and Loss account in other gain and loss head.
	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain and loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which arise.	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement as other gains/ (losses) in the period in which it arises.  Interest income from these financial assets is included in the finance income.
Equity instruments	FVOCI	The Company's management has made an irrevocable election at the time of initial recognition to account for the equity investment (On an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Change in fair value of such instrument are recorded in OCI.  On disposal of such instruments, no amount is reclassified to income statement.  Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.  Dividend income from such instruments are however recorded in income statement.



Notes to the Financial Statements for the year ended March 31, 2022

		held for trading. The classification is made on initial recognition and is irrevocable.		
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement.

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction costs that are attributable to the acquisition of the financial assets.

**(ii) Impairment:**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- b) Trade receivables.

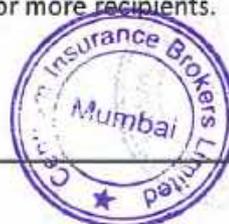
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, historical observed default rates are updated and changes in the forward- looking estimates are analysed.

**(iii) Derecognition of financial assets:**

A financial asset is derecognised only when

- (a) the company has transferred the rights to receive cash flows from the financial asset or
- (b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.



## Notes to the Financial Statements for the year ended March 31, 2022

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

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### **B. Financial liabilities and equity instruments :**

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

#### **Classification, recognition and measurement:**

##### **(a) Equity Instruments:**

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

##### **(b) Financial liabilities:**

#### **Initial recognition and measurement:**

Financial liabilities are initially recognised at fair value plus any transaction that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL, which are initially measured at fair value.

#### **Subsequent measurement:**

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

- at amortised cost

##### **(i) Financial liabilities at amortised cost:**

The company is classifying the following under amortised cost;

- Trade payables

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus / minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

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

Financial liabilities held for trading are measured at FVTPL.



## Notes to the Financial Statements for the year ended March 31, 2022

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

### Derecognition:

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

### C. Offsetting financial instruments :

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### 1.11 Fair value measurement:

The Company measures financial instruments, such as, certain investments at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



## Notes to the Financial Statements for the year ended March 31, 2022

### 1.12 Provisions and Contingencies

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

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

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

### 1.13 Cash and cash equivalent:

Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

### 1.14 Earnings per share:

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

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

### 1.15 Current/ Non-current classification:

An asset is classified as current if:

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

All other assets are classified as non-current.



## Notes to the Financial Statements for the year ended March 31, 2022

A liability is classified as current if:

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

All other liabilities are classified as non-current.

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

### 1.16 Ind AS Standard not yet notified:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

#### Ind AS 116 – Leases

On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, Leases as part of the Companies (Indian Accounting Standards) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019.

Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

Where a contract meets Ind AS 116's definition of a lease, lease agreements will give rise to the recognition of a non-current asset representing the right to use the leased item, and a lease liability for future lease payables.

In the Statement of Profit and Loss, lessees will have to present interest expense on the lease liability and depreciation on the right-of-use asset. In the cash flow statement, cash payments for the principal portion of the lease liability and its related interest are classified within financing activities. Payments for short-term leases, leases of low-value assets and variable lease payments not included in the measurement of the lease liability are presented within operating activities.

The Company is in the process of evaluating the impact of adoption of Ind AS 116 on its financial statements and will accordingly consider the same from period beginning April 1, 2019.

#### Amendment to Ind AS 12, Income Taxes

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.



Notes to the Financial Statements for the year ended March 31, 2022

This amendment did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**1.17 Note on Financial statements providing Disclosure as per Regulations 34 (6) of IRDAI (Insurance Brokers) Regulations – 2018.**

i) Insurance company wise listing of Revenue from Operation

Rs. In Lakhs

Particulars	FY 2022	FY 2021
Aegon Life	0.28	0.55
Bajaj Allianz General	0.26	2.28
Bajaj Allianz Life	9.48	68.18
Bharti AXA General	3.95	5.57
Bharti Axa Life	112.90	219.82
Bharat Re-Insurance Brokers Pvt Ltd.	5.03	2.73
Care Health Insurance Limited	1.44	3.34
Cholamandlam Ms General Insurance Co Ltd	0.07	0.00
ECGC Limited	1.03	0.55
HDFC ERGO General	0.10	2.22
HDFC Standard Life	88.38	125.84
ICICI Lombard General	8.68	5.28
ICICI Prudential	16.18	5.53
IFFCO-TOKIO GENERAL	3.39	7.91
ManipalCigna Health	2.76	3.60
National Insurance	1.86	0.75
Royal Sundaram General	0.00	0.04



Notes to the Financial Statements for the year ended March 31, 2022

SBI General	0.39	0.97
Star Health	1.52	1.32
TATA AIA Life	24.92	6.78
TATA AIG General	1.67	3.55
The New India Assurance	8.94	7.39
The Oriental Insurance	1.37	4.27
United India	1.14	0.20
PNB MET LIFE	8.99	8.60
<b>Total</b>	<b>304.73</b>	<b>487.27</b>

ii) Payments received by Group Companies

Particulars	Rs. In Lakhs	
	FY 2022	FY 2021
Bajaj General	3.54	3.51
HDFC ERGO	1.44	0.57
ICICI Lombard	8.15	4.14
Bajaj Allianz Life Insurance Co. Ltd	57.37	17.98
Bharti AXA Life Insurance	531.03	227.45
HDFC Life	185.42	155.75
Care General Insurance	10.73	1.96
Max Bupa	0.38	0.02
<b>Total</b>	<b>798.08</b>	<b>411.37</b>



**1.18 Significant accounting estimates, judgements and assumptions:**

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

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

- a. **Useful lives of property, plant and equipment:** Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also need to be made, when company assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised.
- b. **Defined benefit plan:** The cost of the defined benefit gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- c. **Allowances for uncollected accounts receivable and advances:** Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on history, existing market condition as well as forward looking estimates at the end of each reporting period.
- d. **Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.
- e. **Disclosure of Transactions with struck of companies:** During this financial year there are no transactions done with struck of companies.



Notes to the Financial Statements for the year ended March 31, 2022

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

COVID-19 is affecting our business operations, however we believe that awareness of health insurance products has increased multi-fold given the current pandemic situation, which will help insurance sector to grow in near future.

Management believes that, sufficient liquidity will be available for use as per requirement of the Company and will generate sufficient cash flows from operations to meet its obligations as and when they fall due. Further Company has also worked towards reduction in operating expenses including salaries to avoid any liquidity crunch.

While assessing the recoverability of assets such as Trade receivable, Loans etc., Management have considered internal and external information and expects to recover the carrying amount of the same.

