Centrum Insurance Brokers Limited

Annual Report 2020-21

Contents

Corporate Information

Corporate Office

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

Tel – 022 – 42159000

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

Website – www.centrum.co.in

Directors Report

DIRECTORS' REPORT

To
The Members,
Centrum Insurance Brokers Limited

Your Directors are pleased to present their Sixth Annual Report together with the audited accounts of the Company for the year ended as on March 31, 2021.

FINANCIAL HIGHLIGHTS:

(Rs. in Lakhs)

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Gross Income	**585.68**	**1,462.97**
Profit/ (Loss) before tax	**104.77**	**275.66**
Less: Taxation Expenses	(3.95)	(1.81)
Profit /(Loss) after tax	**108.72**	**277.47**
Add: Other comprehensive income/(loss) for the year	1.75	3.08
Add: Balance of profit/ (loss) for earlier years	(131.51)	**-412.04**
Balance carried forward	**(21.02)**	**(131.51)**

Financial Performance and state of Company's affairs

The Gross income (standalone) from operations of the Company is 585.68 lakhs in 2020-21 as against Rs. 1,462.97 lakhs in the previous year 2019-20. The net profit after tax for the year under review of 108.72 lakhs in 2020-2021 as against net profit after tax for the year under review of Rs. 277.47 Lakhs in 2019-2020.

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 2020-21.

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

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

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. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

COMMENTS ON AUDITORS QUALIFICATIONS IN AUDITORS REPORT:

The auditors' report does not contain any qualification. Notes to accounts and Auditors' remarks in their report are self-explanatory and do not call for any further comments.

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. Sriram Venkatasubramanian (DIN: 00169087), retires by rotation in the forthcoming Annual General Meeting and being eligible to offers himself for re-appointment. There were following changes in the Board/KMPs, during the financial year under review:

- Mr. Narayan Krishna resigned as Chief Financial Officer with effect from April 04, 2020 and Mrs. Sharvari Dinesh More was appointed as a Chief Financial Officer with effect from October 01, 2020;

- Mr. Hemendra Sawant was appointed as the Whole time director with effect from August 21, 2020;

- Mr. Anirudh Jain has stepped down from the position of Executive director to Non-Executive Director with effect from September 08, 2020.

- Ms. Tanvi Mhamunkar resigned as Company Secretary with effect from February 20, 2021 and Ms. Sunita Gohil was appointed as a Company Secretary with effect from March 02, 2021;

MEETINGS OF THE BOARD AND COMMITTEES:

Eight 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	5	5
Shailendra Apte	8	8
Sriram Venkatasubramanian	8	8
Anirudh Jain	8	8

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 2020-21, 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 SECURTIES PROVIDED.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEE GIVEN AND SECURTIES 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 B**.

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:

Particulars	2020-21 (Rs.)	2019-20 (Rs.)
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 was no instance of non-exercising of voting rights in respect of shares purchased directly by the employees under a scheme pursuant to section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debenture) Rules, 2014 and hence no information has been furnished.
6. The Annual Report may be accessed on 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	**Hemendra Sawant**
Director	**Director**
DIN: 00017814	**DIN: 08842983**

Place: Mumbai
Date: April 20, 2021

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

ANNEXURE A
FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31/03/2021
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule12 (1) of the Companies (Management and Administration) Rules, 2014]

I.REGISTRATIONANDOTHERDETAILS:

i.	CIN	**U66000MH2016PLC273496**
ii.	Registration Date	February 25, 2016
iii.	Name of the Company	CENTRUM INSURANCE BROKERS LIMITED
iv.	Category/Sub-Category of the Company	Public Company/Limited by shares
v.	Address of the Registered office and contact details	Registered and Corporate Office: Centrum House, Vidaynagari Marg, Kalina, Santacruz (East), Mumbai 400098. Contact: 022- 4215 9000
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai 400 083. Tel No: +91 22 49186000

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Insurance Brokerage	99716100	99%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
1.	**Centrum Retail Services Limited** Centrum House, CST Road, Near Mumbai University, Santacruz (East), Mumbai -400098	U74999MH2014PLC256774	Holding Company	100%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. *Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) CentralGovt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
Bodies Corp	1,03,99,996	0	1,03,99,996	100%	1,03,99,996	0	1,03,99,996	100%	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	1,03,99,996	0	1,03,99,996	100%	1,03,99,996	0	1,03,99,996	100%	-
Foreign									
NRIs-Individuals	-	-	-	-	-	-	-	-	-
Other-Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Public Shareholding									
Institutions	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-

Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									
Bodies Corp. **(i) Indian** **(ii) Overseas**	0	0	0	0	0	0	0	0	0
Individuals **(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh** **(ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh**	0	0	0	0	0	0	0	0	0
Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**1,03,99,996**	**0**	**1,03,99,996**	**100%**	**1,03,99,996**	**0**	**1,03,99,996**	**100%**	**-**

ii.*Shareholding of Promoters*

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total	% change in share holding during the year
1.	Centrum Retail Services Limited	1,03,99,996	100%	Nil	1,03,99,996	100%	Nil	-
	Total	**1,03,99,996**	**100%**	**Nil**	**1,03,99,996**	**100%**	**Nil**	**-**

iii.*Change in Promoters' Shareholding*

Sr. no	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,03,99,996	100%	1,03,99,996	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Allotment (right issue)	-	-	-	-
	At the End of the year	**1,03,99,996**	**100%**	**1,03,99,996**	**100%**

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

SR. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	**% of total Shares of the company**	**No. of Shares**	**% of total Shares of the company**
-	-	-	-	-	-

(V) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Sriram Venkatasubramanian (Nominee of Centrum Retail Services Limited)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year 01-April 2020	1	0	1	0
	Purchase/Sale	-	-	-	-
	At the end of the year 31st March, 2021	1	0	1	0

Sr. No.	Anirudh Jain (Nominee of Centrum Retail Services Limited)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
2	At the beginning of the year 01-April 2020	1	0	1	0
	Purchase/Sale	-	-	-	-
	At the end of the year 31st March, 2021	1	0	1	0

Sr. No.	Shailendra Apte (Nominee of Centrum Retail Services Limited)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
3	At the beginning of the year 01-April 2020	1	0	1	0
	Purchase/Sale	-	-	-	-
	At the end of the year 31st March, 2021	1	0	1	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
	(Rs)	(Rs)	(Rs)	(Rs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-

ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in indebtedness during the financial year				
Addition (net)	-	-	-	-
Reduction	-	-	-	-
Exchange difference	-	-	-	-
Net change	-	-	-	-
Indebtedness at the end of financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATIONOFDIRECTORSANDKEYMANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and /or Manager

Sl. No.	**Particulars of Remuneration**	**Name of MD/WTD/ Manager**		**Total Amount**
		Mr. Anirudh Jain, Whole Time Director*	**Mr. Hemendra Sawant, Whole Time Director ****	
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	59,62,660/- -	9,51,996/-	69,14,656/-
	Stock Option			
	Sweat Equity			
	Commission- as % of profit - others, specify…			
	Others, please specify	20,00,000/-	1,25,000/-	21,25,000/-
	Total (A)	**79,62,660/-**	**10,76,996/-**	**90,39,656/-**

** Mr. Anirudh Jain stepped down from the position of Executive director to Non- Executive Director with effect from September 08, 2020.*

*** Mr. Hemendra Sawant was appointed as the Whole time director with effect from August 21, 2020.*

B. Remuneration to other directors: Nil

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

Sr. no.	Particulars of Remuneration	Sunita Gohil, Company Secretary *	Tanvi Mhamunkar – Company Secretary **	Sharvari Dinesh More – CFO#	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	38,477/-	4,01,268/-	12,10,077/-	16,49,822/-
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify…				
5.	Others, Performance Bonus	-	-	62,500/-	62,500/-
6.	**Total**	**38,477/-**	**4,01,268/-**	**12,72,577/-**	**17,12,322/-**

** Ms. Sunita Gohil was appointed as a Company Secretary with effect from March 02, 2021*

*** Ms. Tanvi Mhamunkar resigned as Company Secretary with effect from February 20, 2021*

 # Mrs. Sharvari Dinesh More was appointed as a Chief Financial Officer with effect from October 01, 2020

VII. PENALTIES/PUNISHMENT/COMPOUNDINGOFOFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. Directors					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.

Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C.OtherOfficersInDefault					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

By order of the Board
For Centrum Insurance Brokers Limited

Shailendra Apte
Director
DIN: 00017814

Hemendra Sawant
Director
DIN: 08842983

Place: Mumbai
Date: April 20, 2021

Financial Statements

Centrum Insurance Brokers Limited

Balance sheet as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31-Mar-21	As at 31-Mar-20
ASSETS			
Non-current assets			
Property, plant & equipment	2	9.97	17.02
Intangible assets	3	6.65	7.56
Financial assets			
i. Other financial assets	4	10.00	10.00
Deferred tax assets (net)	5	5.84	2.04
Other non-current assets	6	84.76	222.32
		117.22	258.94
Current assets			
Financial Assets			
i. Trade receivables	7	11.69	116.78
ii. Cash and cash equivalents	8	172.95	31.68
iii. Bank balances other than (ii) above	9	0.10	40.10
iv. Loans	10	707.00	475.00
v. Other financial assets	4	-	-
Other current assets	11	33.55	**37.11**
		925.29	700.67
Total		**1,042.50**	**959.60**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	12	1,040.00	1,040.00
Other equity	13	(21.02)	(131.51)
		1,018.98	908.49
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Other financial liabilities	16	-	**-**
Provisions	14	3.65	**3.88**
Deferred tax liabilities (Net)	5	-	
		3.65	3.88
Current liabilities			
Financial Liabilities			
i. Trade Payables	15		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises		-	-
(b) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		2.41	43.28
iii. Other financial liabilities	16	3.20	0.04
Other current liabilities	17	17.44	6.79
Provisions	14	(3.18)	(2.88)
		19.87	47.23
Total		**1,042.50**	**959.60**

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

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

Ketan N. Negandhi
Proprietor
Membership No:- 102241

Hemendra Sawant
Director
DIN : 00017814

Anirudh Jain
Director
DIN : 06739367

Place : Mumbai
Date : April 20, 2021

Sharvari More
CFO

Sunita Gohil
Company Secretary

UDIN :21102241AAAAAP3387

Centrum Insurance Brokers Limited

Statement of Profit and Loss for the year ended 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	**Note No.**	**Year ended 31-Mar-21**	**Year ended 31-Mar-20**
REVENUE			
Revenue from operations	18	487.27	1,421.89
Other Income	19	98.41	41.08
Total revenue		**585.68**	**1,462.97**
EXPENSES			
Employee benefit expense	20	168.80	311.27
Depreciation and amortisation expense	21	7.80	12.62
Finance costs	22	-	-
Other expenses	23	304.31	863.42
Total expenses		**480.91**	**1,187.31**
Profit before tax		**104.77**	**275.66**
Tax expense			
Current tax		0.45	
Deferred tax		(4.40)	(1.81)
Profit for the year - (A)		**108.72**	**277.47**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
I. Remeasurement of Defined Benefit scheme		2.34	4.11
II. Income tax effect		(0.59)	(1.04)
Other Comprehensive Income for the year (net of tax) - (B)		**1.75**	**3.08**
Total Comprehensive Income for the year (A+B)		**110.47**	**280.55**
Earning per Equity Shares			
Basic		1.05	2.67
Diluted		1.05	2.67

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

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

Ketan N. Negandhi
Proprietor
Membership No:- 102241

Hemendra Sawant
Director
DIN : 00017814

Anirudh Jain
Director
DIN : 06739367

Place : Mumbai
Date : April 20, 2021

Sharvari More
CFO

Sunita Gohil
Company Secretary

UDIN :21102241AAAAAP3387

Centrum Insurance Brokers Limited

Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
As at 31st March, 2019	**1,040.00**
Changes in equity share capital during the year	-
As at 31st March, 2020	**1,040.00**
Changes in equity share capital during the year	-
As at 31st March, 2021	**1,040.00**

B. Other Equity

Particulars	Retained Earnings	Total Amount
As at 1st April, 2018	(422.06)	(422.06)
Profit for the year	4.25	4.25
Other comprehensive income	5.77	5.77
As at 31st March, 2019	**(412.04)**	**(412.04)**
Profit for the year	277.47	277.47
Other comprehensive income	3.08	3.08
As at 31st March, 2020	(131.51)	(131.51)
Profit for the year	108.72	108.72
Other comprehensive income	1.75	
As at 31st March, 2021	**(21.04)**	**(22.79)**

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

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

Ketan N. Negandhi
Proprietor
Membership No:- 102241

Hemendra Sawant
Director
DIN : 00017814

Anirudh Jain
Director
DIN : 06739367

Place : Mumbai
Date : April 20, 2021

Sharvari More
CFO

Sunita Gohil
Company Secretary

UDIN :21102241AAAAAP3387

Centrum Insurance Brokers Limited
Cash Flow Statement for the year ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31-Mar-21	Year ended 31-Mar-20
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	104.77	275.66
Adjustments for :		
Interest Expenses		-
Interest Income	(84.73)	(34.67)
Interest on Income Tax Refund	(13.68)	
Depreciation/Amortisation	7.80	12.62
Profit on sale of fixed assets	-	(2.56)
Employee Benefits	2.34	4.11
Operating loss before working capital changes	**16.50**	**255.15**
Movement in working capital:		
Decrease in trade receivables	105.09	18.10
Decrease/(Increase) in financial asset	288.35	(250.02)
Decrease/(Increase) in other current asset	3.56	(25.85)
Decrease in trade payable	(40.87)	34.89
Increase/(Decrease) in financial liabilities	3.16	(5.42)
Increase/(Decrease) in other current liabilities	10.65	(21.93)
Increase/(Decrease) in provisions	(0.53)	(4.35)
Cash (used in) operations	**385.92**	**0.57**
Net of Income Tax refund received / (Taxes paid)	137.56	(125.01)
Net cash used in Operating Activities (A)	**248.37**	**125.57**
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in Fixed Deposits		(300.10)
Proceeds from closure of Fixed Deposits	40.00	500.00
Net proceeds from sale of Fixed assets	0.16	7.39
Loans/advances given	(269.00)	(675.00)
Loans/advances received back	37.00	200.00
Interest received	84.73	34.67
Net cash used in Investing Activities (B)	**(107.10)**	**(233.03)**
CASH FLOW FROM FINANCING ACTIVITIES		
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)	141.26	(107.46)
As at the beginning of the year	31.68	139.14
Closing cash and cash equivalents	**172.95**	**31.68**
As at the end of the year (refer note 8)		
Cash in hand including foreign currencies	-	0.03
Balance with scheduled banks-Current accounts	172.95	31.65
Closing cash and cash equivalents	**172.95**	**31.68**

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

As per our report of even date

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

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

Ketan N. Negandhi
Proprietor
Membership No:- 102241

Hemendra Sawant
Director
DIN : 00017814

Anirudh Jain
Director
DIN : 06739367

Place : Mumbai
Date : April 20, 2021

Sharvari More
CFO

Sunita Gohil
Company Secretary

UDIN :21102241AAAAAP3387

Centrum Insurance Brokers Limited

Notes to the Financial Statements for the year ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

2. PROPERTY, PLANT & EQUIPMENT

Particulars	Furnitures and Fixtures	Office Equipments	Computer Hardware	Total
Gross Block				
As at 31st March, 2019	**8.55**	**6.96**	**39.46**	**54.98**
Additions - Mar 20	-	-	-	-
Disposals - Mar 20	-	-	19.27	19.27
As at 31st March, 2020	**8.55**	**6.96**	**20.19**	**35.71**
Additions - Mar 21				-
Disposals - Mar 21			**2.51**	2.51
As at 31st March, 2021	**8.55**	**6.96**	**17.68**	**33.20**
Accumulated Depreciation				
As at 31st March, 2019	**0.82**	**1.33**	**19.28**	**21.43**
Additions - Mar 20	0.81	1.33	9.57	11.71
Disposals - Mar 20	-	-	14.45	14.45
As at 31st March, 2020	**1.62**	**2.66**	**14.39**	**18.69**
Additions - Mar 21	**0.82**	**1.32**	**4.75**	6.89
Disposals - Mar 21			**2.35**	2.35
As at 31st March, 2021	**2.43**	**3.98**	**16.79**	**23.23**
Net Block				
As at 31st March, 2021	**6.12**	**2.98**	**0.89**	**9.97**
As at 31st March, 2020	**6.93**	**4.30**	**5.80**	**17.02**

3. Intangible Assets

Particulars	Computer Software	Total
Gross Block		
As at 31st March, 2019	**9.62**	**9.62**
Additions - Mar 20	-	-
Disposals - Mar 20	-	-
As at 31st March, 2020	**9.62**	**9.62**
Additions - Mar 21	**-**	-
Disposals - Mar 21	**-**	-
As at 31st March, 2021	**9.62**	**9.62**
Accumulated Depreciation		
As at 31st March, 2019	**1.15**	**1.14**
Additions - Mar 20	0.92	0.92
Disposals - Mar 20	-	-
As at 31st March, 2020	**2.07**	**2.06**
Additions - Mar 21	**0.91**	0.91
Disposals - Mar 21		-
As at 31st March, 2021	**2.98**	**2.97**
Net Block		
As at 31st March, 2021	**6.64**	**6.65**
As at 31st March, 2020	**7.55**	**7.56**

Centrum Insurance Brokers Limited

Notes to the Financial Statements for the year ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

		As at 31-Mar-21	As at 31-Mar-20
4.	**OTHER FINANCIAL ASSETS**		
	Current		
	Security deposits	-	
	Other assets	-	-
	Non current		
	Bank Deposits more than 12 months	10.00	10.00
	Total Current	-	-
	Total Non-Current	**10.00**	**10.00**

		As at 31-Mar-21	As at 31-Mar-20
5.	**DEFERRED TAX ASSET/(LIABILITY)**		
	Opening Balance	2.04	1.26
	Deferred Tax Assets :		
	On A/c of Employee benefit expenses	(1.84)	1.84
	On A/c of Depreciation/Amortisation	1.18	1.27
	On A/c of MAT credit Entilement	-	
	On A/c of Other Liabilities and Provisions	4.47	
	Deferred Tax Liability :		
	On A/c of Employee benefit expenses		
	On A/c of Depreciation/Amortisation		
	On A/c of MAT credit Entilement		(2.31)
	On A/c of Other Liabilities and Provisions		(0.02)
	Total	**5.84**	**2.04**

5. (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, 2019	**(2.80)**	**0.93**	**2.31**	**0.82**	**1.26**
Charged / (Credited)					
- to profit or loss	1.27	2.87	(2.31)	(0.02)	1.81
- to other comprehensive income		(1.04)			(1.04)
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	**(0.35)**	**0.92**	**-**	**5.27**	**5.84**

		As at 31-Mar-21	As at 31-Mar-20
6.	**OTHER NON-CURRENT ASSETS**		
	Advance Tax [Net off Provision for Tax - Nil, (Previous year - Nil)]	84.76	222.32
	Total	**84.76**	**222.32**

Centrum Insurance Brokers Limited

Notes to the Financial Statements for the year ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

		As at 31-Mar-21	As at 31-Mar-20
7.	**TRADE RECEIVABLES**		
	Unsecured, Considered good	32.37	119.72
	Less: Allowances for doubtful debts	(20.68)	(2.94)
	Total	**11.69**	**116.78**

7.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.

7.b The company's exposure to credit risk related to trade receivables are disclosed in note number 29.

		As at 31-Mar-21	As at 31-Mar-20
8.	**CASH AND CASH EQUIVALENTS**		
	Balances with banks - In current accounts	172.95	31.65
	Cash on hand	-	0.03
	Total	**172.95**	**31.68**

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

		As at 31-Mar-21	As at 31-Mar-20
9.	**OTHER BANK BALANCES**		
	Deposit with original maturity of more than 3 months and less than 12 months	0.10	40.10
	Total	**0.10**	**40.10**

		As at 31-Mar-21	As at 31-Mar-20
10.	**LOANS** (Unsecured, considered good unless otherwise stated)		
	Loans to related parties	707.00	475.00
	Total	**707.00**	**475.00**

		As at 31-Mar-21	As at 31-Mar-20
11.	**OTHER CURRENT ASSETS**		
	Balances with Government authorities	14.26	23.81
	Accrued Interest on Fixed Deposit & ICD	0.13	11.06
	Prepaid Expenses	2.79	1.89
	Advance to creditors	-	0.35
	Accrued Commission Income	16.37	-
	Total	**33.55**	**37.11**

Centrum Insurance Brokers Limited
Notes to the Financial Statements for the year ended and as at 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

		As at 31-Mar-21	As at 31-Mar-20
12.	**EQUITY SHARE CAPITAL**		
	Authorized Share Capital		
	1,15,45,500 (31-March-19: 1,15,45,500) equity shares of Rs. 10 each	1,154.55	1,154.55
	Total	**1,154.55**	**1,154.55**
	Issued, subscribed and fully paid up Share Capital		
	1,03,99,996 (31-March-19: 1,03,99,996) equity shares of Rs. 10 each	1,040.00	1,040.00
	Total	**1,040.00**	**1,040.00**

12.a	**Reconciliation of shares outstanding at the beginning and at the end of the year**	**As at 31-Mar-21 No of shares**	**As at 31-Mar-20 Amount**	**As at 31-Mar-20 No of shares**	**As at 31-Mar-20 Amount**
	For equity shares:				
	Number of shares Outstanding at beginning of the year	1,03,99,996	1,040.00	1,03,99,996	1,040.00
	Add: Shares issued during the year	-	-	-	-
	Number of shares Outstanding at the end of the year	1,03,99,996	1,040.00	1,03,99,996	1,040.00

12.b Rights, preferences and restrictions attached to shares

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.

12.c	**Particulars of shareholders holding more than 5% of aggregate shares**	**As at 31-Mar-21 No of shares**	**As at 31-Mar-20 %**	**As at 31-Mar-20 No of shares**	**As at 31-Mar-20 %**
	Equity shares				
	Centrum Retail Services Limited	1,03,99,996	100	1,03,99,996	100
	Total	**1,03,99,996**	**100**	**1,03,99,996**	**100**

Centrum Insurance Brokers Limited

Notes to the Financial Statements for the year ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

		As at 31-Mar-21	As at 31-Mar-20
13.	**OTHER EQUITY**		
	As at 1st April, 2019	(412.04)	(422.06)
	Profit for the year - Mar 20	277.47	4.25
	Other comprehensive income - Mar 20	3.08	5.77
	As at 31st March, 2020	**(131.49)**	**(412.04)**
	Profit for the year - Mar 20	108.72	277.47
	Other comprehensive income - Mar 20	1.75	3.08
	As at 31st March, 2021	**(21.02)**	**(131.51)**

		As at 31-Mar-21	As at 31-Mar-20
14.	**PROVISIONS**		
	Provision for Gratuity		
	Current	10.39	9.81
	Non current	-	
	LIC Gratuity Asset Fund	(14.41)	(13.62)
	Provision for Compensated Absences		
	Current	0.85	0.93
	Non current	3.65	3.88
	Total Current	**(3.18)**	**(2.88)**
	Total Non-Current	**3.65**	**3.88**

		As at 31-Mar-21	As at 31-Mar-20
15.	**TRADE PAYABLES**		
	Total Outstanding dues of Micro Enterprises and Small Enterprises	-	-
	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2.41	43.28
	Total	**2.41**	**43.28**

		As at 31-Mar-21	As at 31-Mar-20
16.	**OTHER FINANCIAL LIABILITIES**		
	Current		
	Employee related liabilities	3.20	0.04
	Others	-	-
	Non current		
	Employee related liabilities	-	-
	Total Current	**3.20**	**0.04**
	Total Non-Current	**-**	**-**

		As at 31-Mar-21	As at 31-Mar-20
17.	**OTHER CURRENT LIABILITIES**		
	Statutory dues payable	4.13	4.99
	Advance received from customers	12.87	1.79
	Current Tax Liability	0.45	
	Total	**17.44**	**6.79**

Centrum Insurance Brokers Limited

Notes to the Financial Statements for the year ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

		Year ended 31-Mar-21	Year ended 31-Mar-20
18.	**REVENUE FROM OPERATIONS**		
	Insurance Brokerage Income	487.27	1,421.89
	Total	**487.27**	**1,421.89**

		Year ended 31-Mar-21	Year ended 31-Mar-20
19.	**OTHER INCOME**		
	Interest income from Fixed Deposits	3.10	15.94
	Interest Income - Other	81.63	18.74
	Interest on Income Tax Refund	13.68	-
	Gain on sale of fixed assets	-	2.56
	Others	0.00	3.84
	Total	**98.41**	**41.08**

		Year ended 31-Mar-21	Year ended 31-Mar-20
20.	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages and bonus	158.40	289.59
	Contributions to provident and other fund	8.23	13.72
	Staff welfare expenses	0.05	4.70
	Gratuity Expense	2.13	3.26
	Total	**168.80**	**311.27**

		Year ended 31-Mar-21	Year ended 31-Mar-20
21.	**DEPRECIATION AND AMORTIZATION EXPENSE**		
	Depreciation on property, plant and equipment	7.80	12.62
	Amortisation on intangible assets	-	-
	Total	**7.80**	**12.62**

		Year ended 31-Mar-21	Year ended 31-Mar-20
22.	**FINANCE COSTS**		
	Interest on Borrowings	-	-
	Other Interest payments	-	-
	Total	**-**	**-**

		Year ended 31-Mar-21	Year ended 31-Mar-20
23.	**OTHER EXPENSES**		
	Rent	21.12	220.58
	Rates & taxes	0.42	-
	Computer / Software Expenses	1.65	10.57
	Insurance	4.11	3.15
	Business promotion expenses	-	61.69
	Meeting and seminars	34.98	118.00
	Business Support Service	202.36	387.89
	Legal & professional fees	10.47	24.54
	Travelling and conveyance	0.26	12.55
	Audit fees	0.25	0.25
	Allowance for doubtful debts - trade receivables	17.75	2.94
	Office expenses	10.94	21.27
	Total	**304.31**	**863.42**

Centrum Insurance Brokers Limited

Notes to the Financial Statements for the year ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

23. (a)	**Auditors' remuneration**		
	Audit Fees - Statutory Audit	0.25	0.25
	Total	**0.25**	**0.25**

24.	**INCOME TAX EXPENSE**	**Year ended 31 March 2021**	**Year ended 31 March 2020**
	Current tax		
	Current tax on profits for the year	0.45	-
	Adjustments for current tax of prior periods		-
	Total current tax expense	**0.45**	**-**
	Deferred tax		
	Increase/(Decrease) in Deferred tax asset	4.40	(1.81)
	Total deferred tax expense/(benefit)	**4.40**	**(1.81)**
	Income tax expense	**4.84**	**(1.81)**
	Reconciliation of effective Tax Rate		
	Profit before income tax expense	104.77	275.66
	Enacted income tax rate in India applicable to the Company 25.168% (March 2020: 25.168%)	26.37	69.38
	Tax effect of:		
	Previously unrecognised tax losses now recouped to reduce current tax expenses	(25.53)	(71.43)
	Adjustment in deferred tax through OCI	(0.59)	(1.04)
	Adjustment in deferred tax of previous years	-	2.31
	Adjustment of provision for doubtful debts in deferred tax	5.21	(0.74)
	Others	6.31	(0.29)
	Income tax expense	**11.77**	**(1.81)**
	Weighted average tax rate for the year	**11.23%**	**-0.66%**

25. 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 year ended March 31, 2021 and March 31, 2020.

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-21	As at 31-Mar-20
Borrowings		
Long term and Short term borrowings	-	-
Less: cash and cash equivalents	172.95	31.68
Adjusted net debt	**(172.95)**	**(31.68)**
Total Equity	1,018.98	**908.49**
Adjusted net debt to adjusted equity ratio	**-17%**	**-3%**

26. 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	Year ended 31-Mar-21	Year ended 31-Mar-20
Employer's Contribution to Provident Fund	7.76	12.71
Provident Fund Administration charges	0.73	0.73
Employer's Contribution to ESIC	0.03	0.28

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 year ended and as at 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

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

Particulars	Year ended 31-Mar-21	Year ended 31-Mar-20
Current Service Cost	2.38	3.47
Past Service Cost	-	-
Expected return on plan assets		-
Interest cost on benefit obligation	(0.25)	(0.21)
Total Expenses	**2.13**	**3.26**

(ii) Expenses recognised in OCI

Particulars	Year ended 31-Mar-21	Year ended 31-Mar-20
Actuarial (Gain) / Losses due to Change in Financial Assumptions	0.05	0.09
Actuarial (Gain)/ Losses due to Change in Experience	(2.50)	(5.90)
Actuarial (Gain)/ Losses due to Change in Demographic Assumptions	-	1.31
Return on Plan Assets (Greater) / Less than Discount rate	0.11	0.40
Total Expenses	**(2.34)**	**(4.11)**

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

Particulars	As at 31-Mar-21	As at 31-Mar-20
Present value of defined benefit obligation at the end of the year	10.39	(9.81)
Fair Value of Plan Assets at the end of the year	14.41	13.62
Funded status [Surplus/(Deficit)]	**24.80**	**3.81**
Net (Liability)/Asset Recognized in the Balance Sheet	**24.80**	**3.81**

(iv) Movements in present value of defined benefit obligation

Particulars	Year ended 31-Mar-21	Year ended 31-Mar-20
Present value of defined benefit obligation at the beginning of the year	9.81	10.07
Current Service Cost	2.38	3.47
Past service cost		-
Interest Cost	0.64	0.79
Actuarial (Gain) / Losses due to Change in Financial Assumptions	0.05	0.09
Actuarial (Gain)/ Losses due to Change in Experience	(2.50)	(5.90)
Actuarial (Gain)/ Losses due to Change in Demographic Assumptions	-	1.31
Benefits paid		-
Present value of defined benefit obligation at the end of the year	**10.39**	**9.81**

(v) Movements in fair value of the plan assets

Particulars	Year ended 31-Mar-21	Year ended 31-Mar-20
Opening fair value of plan assets	13.62	12.80
Expected returns on Plan Assets	(0.11)	(0.40)
Actuarial (Gain)/Loss on Plan assets	-	-
Contribution from Employer	-	0.22
Benefits paid	-	-
Interest Income	0.89	1.00
Closing fair value of the plan asset	**14.41**	**13.62**

(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	As at 31-Mar-21	As at 31-Mar-20
1st following year	1.11	0.80
2nd following year	1.07	0.86
3rd following year	1.04	0.98
4th following year	1.02	0.98
5th following year	0.96	0.96
Sum of years 11 and above	4.07	4.05
Sum of years 11 and above	8.34	8.66

(vii) Quantitative sensitivity analysis for significant assumptions

Particulars	As at 31-Mar-21	As at 31-Mar-20
Increase/(decrease) on present value of defined benefit obligation at the end of the year		
(i) +100 basis points increase in discount rate	(0.65)	(0.65)
(i) -100 basis points decrease in discount rate	0.74	0.74
(iii) +100 basis points increase in rate of salary increase	0.53	0.67
(iv) -100 basis points decrease in rate of salary increase	(0.50)	(0.51)
(v) -100 basis points decrease in rate of Employee Turnover	0.08	0.01
(v) -100 basis points decrease in rate of Employee Turnover	(0.94)	(0.02)

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	As at 31-Mar-21	As at 31-Mar-20
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	IALM (2006-08)	IALM (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 year ended and as at 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

27. 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	**Name of the Parties**
1.Ultimate Holding Company	Centrum Capital Limited
2. Holding of the entity having joint control	Centrum Retail Services Limited
3. Other Related Parties (members of same group)	Centrum Wealth Management Limited
	Club7 Holidays
	Calculus Holidays Pvt Limited
	Centrum Micorcredit Limited
4. Key Managerial Personnel (KMP)	Mr. Anirudh Jain
	Mrs. Sharvari More

(ii) Details of transactions

Name of the related party	Description	Transaction during		Receivable / (Payable)	
		Year ended 31-Mar-21	Year ended 31-Mar-20	As at 31-Mar-21	As at 31-Mar-20
Centrum Capital Limited	Reimbursement of Insurance Expenses	-	0.97		
	Electricity	-	0.11		
	Rent Paid	-	0.25		
Centrum Retail Services Limited	Reimbursement of other expenses	2.11	6.85	0.07	0.91
	Professional Charges - Management	100.00	387.89		-
	Rent Expenses	21.16	219.15		-
	Interest Income	81.63	9.57	-	9.57
	Loan Given	269.00	475.00	7.07	475.00
	Loan Received back	37.00	-		-
Centrum Wealth Management Limited	Rent	-	0.93		
	Electricity	-	0.13		
	Interest Accrued on advance	-	9.16		
	Advance Given	-	200.00		
	Advance Received	-	200.00		
	Sale of Assets	0.10			
Calculus Holidays Private Limited	Sale of Assets	-	4.20		
Centrum Microcredit Limited	Sale of Assets	-	1.38		
Centrum Financial Services Limited	Sale of Assets	0.05	-		
Club 7 Holidays Limited	Travelling Expenses incurred	-	7.45		0.39
Mr. Anirudh Janin	Salary to KMP	79.63	106.97		
	Reimbursement of Expenses	0.25	1.39		
Mrs. Sharvari More	Salary to KMP	12.73	9.35		
	Reimbursement of Expenses	0.06	0.03		

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

28. 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 31-Mar-21 Carrying value	As at 31-Mar-21 Fair Value	As at 31-Mar-20 Carrying value	As at 31-Mar-20 Fair Value
Financial Assets (measured at amortized cost)				
Cash and cash equivalents	172.95	172.95	31.68	31.68
Loans	707.00	707.00	475.00	475.00
Other financial assets	-	-	-	-
Total	**879.95**	**879.95**	**506.68**	**506.68**
Financial Liabilities (measured at amortized cost)				
Borrowings	-	-	-	-
Trade payables	2.41	2.41	43.28	43.28
Other financial liabilities	3.20	3.20	0.04	0.04
Total	**5.61**	**5.61**	**43.32**	**43.32**

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.

29. 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. 11.69 Lakh at Mar 31, 2021 (Mar 31, 2020: 116.78 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 INR 172.95 Lakhs at March 31, 2020 (March 31, 2019: INR 31.68. Lakhs). The same are held with bank and financial institution counterparties with good credit rating therefore does not expose the company to credit risk.

(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
As at 31 March 2021			
Short Term Borrowings	-	-	**-**
Trade Payables	2.41	-	**2.41**
Other financial liabilities	3.20	-	**3.20**
Total	**5.61**	**-**	**5.61**
As at 31 March 2020			
Short Term Borrowings	-	-	**-**
Trade Payables	43.28	-	**43.28**
Other financial liabilities	0.04	-	**0.04**
Total	**43.32**	**-**	**43.32**

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.

30. EARNING PER SHARE

Particulars	Year ended 31-Mar-21	Year ended 31-Mar-20
i) Profit after Taxes attributable to equity shareholders	108.72	277.47
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	1.05	2.67
v) Diluted earning per share	1.05	2.67

31. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31-Mar-21	As at 31-Mar-20
Contingent liabilities and commitments	Nil	Nil

Centrum Insurance Brokers Limited
Notes to the Financial Statements for the year ended and as at 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

32. CAPITAL AND OTHER COMMITMENT

Capital expenditure contracted for the reporting year net of capital advance amounting Rs. Nil (March 31, 2020 : Nil).

33. 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 Heath 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.

34. The provisions of Section 135 (Corporate Social Responsiblity) 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 15-April-2020.

As per our report of even date	For the Period Ended 31st Mar, 2021	
For Ketan Negandhi & Associates	**For and on behalf of the Board of Directors**	
Chartered Accountants	**Centrum Insurance Brokers Limited**	
Firm Registration No:- 116834W		
Ketan N. Negandhi	**Hemendra Sawant**	**Anirudh Jain**
Proprietor	**Director**	**Director**
Membership No:- 102241	**DIN : 00017814**	**DIN : 06739367**
Place : Mumbai	**Sharvari More**	**Sunita Gohil**
Date : April 20, 2021	**CFO**	**Company Secretary**
UDIN :21102241AAAAAP3387		

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 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.

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.

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	Assets that are	At fair value	Changes in carrying value

	through other comprehensive income (FVOCI)	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.	plus transaction costs that are directly attributable to the acquisition of the financial asset	of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in income statement. Interest income, transaction cost and discount or premium on acquisition are recognized in to income statement (finance income) using effective interest rate method. On de-recognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Profit and Loss account in other gain and loss head.
	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain and loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part 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	At fair value plus transaction costs that are directly	Change in fair value of such instrument are recorded in OCI. On disposal of such instruments, no amount is

		time of initial recognition to account for the equity investment (On an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	attributable to the acquisition of the financial asset	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.
	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.

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.
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 with in 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

1.12 Provisions and Contingencies

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

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

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 twelvemonths 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.

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) <u>Insurance company wise listing of Revenue from Operation</u>

Rs. In Lakhs

Particulars	FY 2021	FY 2020
AEGON Life	0.55	8.26
Apollo Munich Health	-	0.33
Bajaj Allianz General	2.28	13.25
Bajaj Allianz Life	68.18	2.77
Bharti AXA General	5.57	9.58
Bharti Axa Life	219.82	463.05
Bharat Re-Insurance Brokers Pvt Ltd.	2.73	0.00
Canara HSBC OBC Life	0.00	1.40
ECGC Limited	0.55	0.00
HDFC ERGO General	2.22	1.97
HDFC Standard Life	125.84	781.49
ICICI Lombard General	5.28	10.41
ICICI Prudential	5.53	2.07
IFFCO-TOKIO GENERAL	7.91	6.04
Kotak Mahindra GI	0.00	10.23
ManipalCigna Health	3.60	2.92
National Insurance	0.75	1.04
Religare Health	3.34	1.57
Reliance Nippon Life	0.00	45.73
Royal Sundaram	0.04	1.41
SBI General	0.97	3.97
Star Health	1.32	0.74
TATA AIA Life	6.78	23.38
TATA AIG General	3.55	3.87
The New India Assurance	7.39	9.59
The Oriental Insurance	4.27	15.65
United India	0.20	1.16
PNB MetLife	8.60	0.00
Grand Total	**487.27**	**1,421.89**

ii) <u>Payments received by Group Companies</u>

Rs. In Lakhs

Particulars	FY 2021	FY 2020
Bajaj General	3.51	0.00
HDFC ERGO	0.57	0.00
ICICI Lombard	4.14	0.00
Bajaj Allianz Life Insurance Co. Ltd	17.98	0.00
Bharti AXA Life Insurance	227.45	0.00
HDFC Life	155.75	0.00
Care General Insurance	1.96	0.00
Max Bupa	0.02	0.00
Grand Total	**411.37**	**0.00**

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. **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.