

CENTRUM

Innovative Solutions *for a*
Changing World.

ANNUAL REPORT
2013-2014

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CHAIRMAN'S LETTER

Dear Shareholders,

I am writing this letter to you at a time when the Indian economy is at a crucial juncture. The new government has taken guard at the center and is expected to herald a new phase of growth for the Indian economy. While we still need to see execution on the ground, the new government has certainly reinvigorated investor interest, which is quite evident from the inflows seen in both the debt and the equity markets in 2014.

The Indian economy is beginning to see signs of recovery from the trough it made in 2013. Q1FY15 GDP at 5.7% was certainly a much stronger print than what was seen in FY14. On ground activity has also improved from the sluggish period we saw last year. The external account position in the form of the Current Account Deficit at 1.7% of GDP has also seen significant improvement on the back of decline in gold imports. The inflation has also stabilized and there could be downward pressure to inflation from the recent decline in crude oil. The global economies are also seeing revival in the labour market although some of the economies like Eurozone and Japan the recovery is still protracted in nature.

The economy is definitely seeing some tailwinds in the form of lower crude prices, the global economic recovery and an investment friendly government. This sets up the financial services industry, which is an integral part of the economy for many opportunities over the coming years.

Our businesses progressed smoothly during the year. The Group's profits (EBITDA), on a consolidated basis increased by Rs. 609.69 million during the year ending 30th June, 2014 compared to Rs. 439.52 million posted in the previous year. Such impressive jump in profits were possible on account of both significant improvement in total revenues and Company's continued thrust on streamlining operating expenses which were initiated in

the previous financial years. We have posted a growth @ 74.26% in consolidated net profit of Rs. 249.98 million in FY2014, as compared to a consolidated net profit of Rs.143.46 million in FY2013 .

Centrum's endeavor is to build strong business relationships and be the partner of choice for all its stakeholders - corporate, institutions, retail customers, employees and investors. As an integrated, complete financial services Company, Centrum specializes in equity, debt, infrastructure, wealth management, fixed income, foreign exchange, margin funding and loan against securities.

Centrum's foray into wealth management led to building up of assets a little in excess of Rs.30 billion at present as compared to Rs.20 billion last year. We have over 1800 active clients whose networth is more than Rs.250 billion. During the year we have continued to launch innovative structured products.

Our debt team successfully closed some marquee transactions, viz. 38 transactions with a total deal size of over Rs. 70,000 million. Our investment bank closed 15 private equity and ECM transactions with a total deal size of over Rs. 3000 million in a challenging environment.

CentrumDirect consolidated its position as the 2nd largest retail money changer during the year. With majority presence in the second largest airport in the country, the new international airport in Mumbai, and with exclusive rights to operate in the Chennai, Bangalore and Trichy Airports, it has become one of the leaders in money changing business executed at airports. It posted 87% yoy growth in revenue and crossed a turnover of Rs.400 billion.

Our institution equity desk has been able to establish itself as a leading house in the Institutional space. It is

currently empanelled with more than 150 institutions. Its thrust has always been research focused on the mid cap side of the markets; which has led identifying a number of lesser known stocks with path breaking ideas; which has been recognized and appreciated by the institutions.

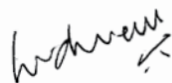
During the year we saw a significant outperformance in the offshore fund (Progressive India Fund) on the back of restructuring efforts taken towards the beginning of the year and tailwinds from the positive move seen in the equity market. We have seen some inflows in the fund during and after the elections. The formation of a stable government at the centre and recovery in the INR versus the USD has led to increased overseas investor interest. We expect the increased investor appetite to lead to better inflows into the fund as compared to the flows seen last year.

The Change in sentiment in the domestic economy throws up significant opportunities for both financial services and wealth management business in the country in the medium term. Despite overall slowdown, the banking business is growing significantly. The equity markets have shown a steady rise and have reached all time high levels. The burgeoning Indian middle class, rising income levels, liberalization policies towards foreign capital inflows especially in the areas of FDI and attracting capital from NRIs in the form of FCNR deposits, etc augur well for significant business potential in the areas in which we operate. Our core expertise, dedicated, talented professionals and focused business approach will enable us to make the best of the emerging opportunities. Our ability to successfully establish strong relationships with our corporate clients, financial institutions, banks, retail clients, employees and investors, boosted by our initial success in drawing clients across the globe will enable us to nurture these relationships, providing us a strategic advantage.

Finally, I would like to express my gratitude to all our clients, our employees, our investors, our shareholders – for the trust you have reposed in us. I would especially like to thank the Board members for their guidance throughout our journey.

As we aim to create long-term value for all our stakeholders, we hope you will continue to support and encourage us as you have done in the past.

Yours sincerely,



Chandir Gidwani

Corporate Information

BOARD OF DIRECTORS

Mr. P. R. Kalyanaraman
Managing Director

Mr. Chandir Gidwani
Non Executive Chairman

Mr. Rishad Byramjee
Non Executive Director

Mrs. Mahakurshid Byramjee
Non Executive Director

Mr. Manmohan Shetty
Non Executive Director

Mr. Dhanpal Jhaveri
Non Executive Director

Mr. Rajesh Nanavaty
Non Executive Director

Mr. Ibrahim S. Belseh
Non Executive Director

Mr. Subimal Bhattacharjee
Non Executive Director

Mr. Ameet Naik
Non Executive Director

Mr. Rashid Kidwai
Non Executive Director

Mr. R. S. Reddy
Non Executive Director

COMPANY SECRETARY

Mr. Alpesh Shah

BANKERS

The Ratnakar Bank Limited
HDFC Bank Limited
Standard Chartered Bank
The Lakshmi Vilas Bank Limited
The Federal Bank Limited
Bank of Baroda
City Union Bank

AUDITORS

Haribhakti & Co. LLP
Chartered Accountants
701, Leela Business Park, Andheri Kurla Road,
Andheri (East), Mumbai - 400059

REGISTERED OFFICE

Bombay Mutual Building,
2nd Floor, Dr. D.N. Road, Fort,
Mumbai-400001
Tel: 2266 2434
Fax: 2261 1105
Website : www.centrum.co.in
E-Mail : info@centrum.co.in
cs@centrum.co.in

CORPORATE OFFICE

Centrum House, CST Road,
Vidyanagari Marg, Kalina,
Santacruz (East),
Mumbai-400098
Tel.:022-4215 9000
Fax: 022-4215 9833

Directors' Report

Dear Members,

Your Directors present their Thirty Sixth Annual Report together with the Audited Accounts for the year ended June 30, 2014.

FINANCIAL PERFORMANCE:

The financial performance of the Company for the year ended June 30, 2014 is summarized below:

(₹ in Million)

Particulars	2013-2014	2012-2013
Total Income	614.37	712.04
Profit/Loss before Interest, Depreciation, Tax and Exceptional Items	283.84	322.76
Less: Interest	166.50	162.52
Less: Depreciation	36.42	36.81
Add: Exceptional Item	18.55	30.21
Profit/Loss before tax	99.46	153.64
Less: Provision for Taxation	(14.59)	16.50
Profit/Loss after tax	114.05	137.14
Add: Balance brought forward from previous year	506.76	369.62
Less: Transfer to DRR	157.85	Nil
Profit available for appropriation	462.96	506.76
Less: Proposed Dividend	Nil	Nil
Less: Provision for Dividend Tax	Nil	Nil
Balance carried to Balance Sheet	462.96	506.76

PERFORMANCE:

Detailed information on the overall performance of the Company is given in the Management Discussion and Analysis Report which forms part of this Report. The Company has transferred ₹ 1,578.50 Lakhs to the Debenture Redemption Reserve Account. As on June 30, 2014, the balance available in the Debenture Redemption Reserve Account is ₹ 1,578.50 Lakhs.

CHANGE IN FINANCIAL YEAR:

In compliance of Section 2 (41) of the new Companies Act, 2013, the financial year of the Company is changed from 1st July to 30th June to 1st April to 31st March of every year. Accordingly the financial year 2014-15 shall be for a period of 9 months beginning from 1st July 2014 and ending on 31st March 2015.

DIVIDEND:

In order to preserve cash for the operating businesses, your Directors do not recommend any dividend for the financial year 2013-2014.

DEBENTURES:

The Board of Directors has issued 6314 number of secured, unlisted, unrated, redeemable non-convertible debentures of ₹ 100,000/- (Rupees One Lakh) each through private placement, including the greenshoe option.

DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Rajesh Nanavaty, Mrs Mahakhurshid Byramjee and Mr. Ibrahim Belselah retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

A brief profile of the all the Directors seeking re-appointment at the ensuing Annual General Meeting, nature of their expertise and names of the other Companies in which they hold Directorship and Committee Membership is provided as a part of the notice of the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of section 217(2AA) of the Companies Act, 1956, the Directors hereby certify and confirm that:

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- 1) in the preparation of the Annual Accounts for the year 2013-14, the applicable Accounting Standards have been followed and there are no material departures;
 - 2) they have selected such accounting policies and applied them consistently and made judgements 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 or loss of Company for that period;
 - 3) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - 4) they have prepared the annual accounts on a going concern basis.

SUBSIDIARY / JOINT VENTURE COMPANIES:

During the year, the Company has made an additional investment of ₹ 3,000.15 Lakhs in CentrumDirect Limited and ₹ 3,192.00 Lakhs in Centrum Wealth Management Limited (both being wholly owned subsidiary) by subscribing 8,85,000 Equity Shares of Rs 10/- each and 19,950,000 Equity Shares of ₹ 10/- each, respectively. During the year, the Company has divested its investments of ₹ 4 Lakhs in Accounts Receivables Management Services (India) Limited at book value.

Subsequent to balance sheet date, company has incorporated a wholly owned subsidiary named "Centrum Retail Services Limited" and thereafter for strategic reason and to better align its various business, Company has reorganised the Centrum Group Structure by transferring its entire equity investments in its subsidiaries viz Centrum

Wealth Management Limited, Centrum Financial Services Limited and CentrumDirect Limited to the Subsidiary viz. Centrum Retail Services Limited.

In terms of the General Circular of the Ministry of Corporate Affairs, Government of India has granted general exemption under section 212(8) of the Companies Act, 1956. In view of this copies of the Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors of its subsidiaries namely Centrum Financial Services Limited, Centrum Infrastructure and Realty Limited, Centrum Wealth Management Limited (Formerly Centrum Investments Limited), CentrumDirect Limited, Club 7 Holidays Limited (step down subsidiary), Centrum Capital Holdings LLC and Centrum Securities LLC (step down subsidiary), Centrum Broking Limited have not been attached with the Balance Sheet of the Company. These documents will be made available upon request by any member of the Company interested in obtaining the same at the Corporate Office of the Company. However, as directed by the MCA in the aforesaid circulars, the financial information of the said subsidiaries has been disclosed in the Annual Report.

The annual accounts of the subsidiary companies will also be kept for inspection by any shareholders at the Corporate Office of the Company and that of respective subsidiary companies.

Further pursuant to Accounting Standard (AS-21) issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report include financial information of its aforesaid subsidiaries.

CONSOLIDATED FINANCIAL STATEMENTS:

As required under the Listing Agreement with the Bombay Stock Exchange Limited, Consolidated Financial Statements of the Company are attached. The

Consolidated Financial Statements have been prepared in accordance with Accounting Standards 21, 23 and 27 issued by the Institute of Chartered Accountants of India. These statements have been prepared on the basis of Audited Financial Statements received from Subsidiaries, Joint Ventures and Associate Companies, as approved by their respective Boards of Directors.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required by Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, a Management Discussion and Analysis Report forms part of the Annual Report.

PARTICULARS OF EMPLOYEES AND EMPLOYEES STOCK PURCHASE SCHEME:

In terms of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the name and other particulars of the certain employees are required to be set out in the Annexure to the Directors' Report. However, as per the provisions of section 219(1) (b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Members who are interested in obtaining such particulars may write to the Company Secretary at its Corporate Office.

The disclosure(s) required under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme), Guidelines, 1999 are annexed and forms part of this Report.

AUDITORS AND AUDITORS' REPORT:

M/s. Haribhakti & Co LLP, Chartered Accountants , (ICAI Firm Registration No. 103523W), retire as Statutory Auditors at the ensuing Annual General Meeting and have expressed their eligibility and willingness to continue, if

so appointed. As required under the provisions of Section 139 of the Companies Act, 2013 and applicable rules, the Company has obtained written confirmation from the Auditors proposed to be re-appointed to the effect that their re-appointment if made, would be in conformity with the limits specified in the said section and also a certificate as to eligibility for being re appointed in accordance with the requirements of Section 139 (1) of the Companies Act 2013 (the Act) read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

A proposal seeking their re-appointment is provided as part of the Notice of the ensuing Annual General Meeting.

Section 139(2) of the Companies Act, 2013 (effective 1st April 2014), mandates that a listed Company or such other prescribed classes of Companies shall not appoint or reappoint an audit firm as Statutory Auditors for more than two terms of five consecutive years each.

Further, the Companies as aforesaid, whose statutory Auditors has held office for a period of ten years or more are required to comply with these provisions, within three years from the date of commencement of these provisions i.e. 1st April 2014. For this Purpose, the term of the Audit firm before the commencement of these provision shall be taken into account for calculating the period of ten consecutive years.

Our Auditors M/s Haribhakti & Co LLP, Chartered Accountants, are holding office as a Statutory Auditor since FY 2012. Hence, they are reappointed for a period upto 5 years i.e. Upto FY 2019.

The Audit Committee and the Board of Directors recommend the re-appointment of M/s Haribhakti & Co LLP, Chartered Accountants, as Statutory Auditors of the Company upto FY2019 for shareholders' approval.

The Notes forming part of financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

There was a delay in payment of service tax and the Company subsequently paid the due amount along with applicable interest as per applicable laws. Company will endeavour to avoid such delays in future.

With Regards the Emphasis of Matter in the Auditors' Report, we wish to submit as under:

- a) Based on the financial estimates and business rationale provided by the management for its exposure in Centrum Broking Limited (CBL), Centrum Wealth Management Limited (CWML) and Centrum Capital Holdings LLC (CCH LLC) confirming fair valuation higher than the cost of Investments of ₹ 8,155.24 Lakhs in CBL, ₹ 3,197.00 Lakhs in CWML and ₹194.28 Lakhs in CCH LLC the management believes that no impairment provision is required in respect of said Investments along with loans advanced amounting to ₹ 1,094.36 Lakhs to CBL, ₹ 1,716.46 Lakhs to CWML and ₹ 59.19 Lakhs to CCH LLC .
- b) Based on recent developments, as informed by the debtor & the status of ongoing lawsuit, the above amount in view of management is fully recoverable & accordingly the same need not be subject to provisioning.

FIXED DEPOSITS:

The Company has not invited nor accepted any fixed deposits pursuant to the provisions of Section 58A of the Companies Act, 1956 during the year under review.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

In view of the nature of activities which are being carried out by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption respectively are not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of foreign exchange earnings and outgo during the year under review are provided at Item No. 32(a) & 32(b) (Notes forming part of financial statements) of the Audited Accounts. The members are requested to refer to the said Note for details in this regard.

CORPORATE GOVERNANCE:

A detailed Report on Corporate Governance pursuant to the requirements of Clause 49 of the Listing Agreement forms part of the Annual Report. A Certificate from the Auditors of the Company, M/s Haribhakti & Co. LLP, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, also forms part of the Annual Report.

ACKNOWLEDGEMENTS:

Your Directors place on record their appreciation to Company's clients, vendors, investors, business associates and bankers for their support to the Company.

The Directors also thank the Government of India, the Governments of various countries, the concerned State Governments, Government Departments and Governmental Agencies for their co-operation.

The Directors appreciate and value the contribution made by every member of the Centrum family. Your Directors

look forward to the continued support of all stakeholders in the future.

For and on behalf of the Board of Directors

sd/-

P. R. Kalyanaraman

Managing Director

sd/-

Chandir Gidwani

Non Executive Chairman

Place: Mumbai

Date: 14th November, 2014

ANNEXURE TO THE DIRECTOR'S REPORT

Disclosures as required under the Securities and Exchange Board of India (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 in respect of the year ended June 30, 2014 is mentioned herein below:

Number of Equity Shares issued during the year	During the year, no equity shares were issued under the ESPS Scheme 2008.
Price at which Equity Shares were issued during the year	N.A.
Employee-wise details of Equity Shares issued during the year to:	
i) Directors and senior managerial employees	Nil
ii) any other employee who is issued Equity Shares in any one year amounting to 5% or more of Equity Shares issued during that year	Nil
iii) identified employees who are issued Equity Shares, during any one year equal to or exceeding 1% of the issued capital of the Company at the time of issuance	Nil
Diluted EPS pursuant to issuance of Equity Shares under ESPS during the year	N.A.
Consideration received against the issuance of Equity Shares	Nil

For and on behalf of the Board of Directors

sd/-

P. R. Kalyanaraman

Managing Director

sd/-

Chandir Gidwani

Non Executive Chairman

Place: Mumbai

Date: 14th November, 2014

Management Discussion and Analysis

1. Economic scenario

Indian economy has seen a recovery in 2014 from the trough it made in the mid of 2013. India was in the midst of a perfect storm; reeling under the weight of twin deficits (fiscal and current account), a possible sovereign downgrade and policy paralysis. On the back of severe pressure seen in both the macro and micro environment, the Indian equity market touched a new low in August 2013. However, with the timely intervention by the central bank and policy pickup by the erstwhile government, the economy bounced back from its lows. 2014 was an important year for the Indian legislature with the national elections in the month of May. The Indian public voted in the hope that a new government could re-ignite the growth engine of the economy.

The global economies of US saw an improvement in the labour market with the unemployment rate coming down to 6.1% by end of June 2014. The US FED has been reducing the bond buying program, and it is expected to be over by the end of October 2014. The global growth has been a bit slow and countries in the Eurozone and Japan are still seeing a protracted revival. Moreover, the Chinese economy is also going thru a phase of slower economic growth that has put pressure on commodities like base metals and crude. The subdued commodity environment is beneficial for the Indian economy as it is a net importer of commodities like crude.

India's Q1FY15 GDP showed a rebound with a growth of 5.7% (y-o-y) and is expected to maintain its positive trajectory. The latest number is a significant uptick from the GDP growth posted in FY14 at 4.7%. The trade deficit and the current account deficit have seen a substantial recovery in FY14 post the steps taken by the central bank and the government

to curb gold imports. India's Current Account Deficit (CAD) for FY2014 reduced to \$32.4 billion (1.7% of GDP) from \$87.8 billion (4.7% of GDP). Inflation (CPI) has stabilised around the 7-8% mark although there is a possible downward risk to inflation from the falling crude prices. The portfolio flows in the economy in 2014 have been quite good with close to USD 30bn of flows seen in both the equity and debt market combined. The inflows are on the back of better sentiment in the Indian markets after coming up of a stable government and the improvement in the macros seen in the domestic economy. Moreover, the relaxation of FDI in various sectors like defense have also lifted the overall sentiment.

During the 12-month period ending June 2014, Sensex raised 31% y-o-y. The rally was broad-based in nature and not concentrated in a few stocks and sectors as was the case in some of the previous rallies. While the FIIs have been buyers of the Indian markets for some time now, the retail started participating after a long hiatus, indicated by positive Mutual fund flows.

2. Industry overview

The revival in the market sentiment has really pushed a lot of activity in the primary and secondary market. There has been lot of money raising in the equity market with in excess of Rs.30,000 crore of QIPs seen in 2014 itself after a subdued year in 2013. The IPO market has also picked up with a slew of companies coming into the primary market to raise money. Almost, 40 new companies have raised money thru the IPO route although the size of the issues have been relatively small.

M&A activity in 2014 hit a peak since 2011 with M&A deals involving Indian companies reaching

\$26billion during the first nine months of 2014. It is quite heartening to see that a larger proportion of these deals were with respect to domestic M&A activity and less of cross-border M&A.

Investments by private equity and venture capital players is also expected to see a sharp revival in 2014 on the back of expected revival in the Indian economy and improved policy environment. The total private equity deals are expected to touch almost \$12billion this year which is a strong growth from the investment seen in 2013.

Wealth Management: Over the last few years, India has been witnessing an increase in the number of Indian high networth households. According to Forbes, there were more than 1 lakh high networth households with networth greater than INR 250 million in FY 2012-13. The number is expected to triple to over 3 lakh households by FY 2017-18. This growing affluence will pave the way for more opportunities in the Private Wealth Management sector. Growth in wealth management is likely to witness higher traction with the return of the Indian high networth household into financial savings through a unique portfolio spread across equity, debt, structured products, private equity, real estate funds and other alternative investments.

Tours & Travel: Travel & Hospitality industry went through a turbulent period in 2013-14. This is majorly attributable to the political scenario, weakening of rupee and increase in the Airfares and Hotel Cost. Pax who were scheduled to travel, were either postponing their trips or settled for a holiday of lesser value. This trend was witnessed in the MICE too, wherein corporates were either postponing the MICE trips or settling for a cheaper destination. In spite of the above, the company managed to

maintain its performance as per the previous year. However, the scenario is fastly improving post-election due the change in market sentiments and stabilization of rupee. The outbound Tours business is set to see a growth of over 12-15% in the Year 2014-15.

Forex: Opportunities for this business arise from Foreign Currency, Travelers' Cheques, Foreign Exchange remittances – inward and outward, Travel Card, Travel Insurance, etc. Business in the segment witnessed significant push as out-bound tourism, both at retail and corporate (business travel and Meetings Incentives Conferences Exhibitions - MICE) levels, increased. In the recent past, this business also received an impetus from the increasing number of students opting to study in Universities overseas, and the entertainment industry continuing to explore overseas locations to provide an edge to their movies and tap overseas market with glamorous Bollywood entertainment shows. However, these two segments would get adversely impacted if Rupee depreciates which would lead to spiraling of costs of foreign education and foreign travel.

3. Business overview

Incorporated in 1977, Centrum is one of the leading financial services Groups in the country, offering innovative, customized and integrated financial solutions. Centrum Capital Limited ('the Company'), the Group's flagship Company along with its subsidiaries and associate companies mainly Centrum Broking Limited, Centrum Wealth Management Limited, CentrumDirect Limited, Club7 Holidays Limited, Centrum Infrastructure and Realty Limited and Centrum Financial Services Limited form a well diversified, yet integrated financial services Group known as 'Centrum'.

Within India, Centrum's distribution reach extends across 88 locations and the Company maintains direct relationship with over one million High Net Worth Individuals and retail investors. Our global footprint extends to Dubai and Hong Kong. During the year we closed our US operations as part of cost control measures.

CENTRUM GROUP COMPANIES

Centrum Capital Limited

Centrum Capital Limited, the flagship Company of the Centrum Group, is a Category I Merchant Banker registered with the Securities & Exchange Board of India (SEBI) and listed on the Bombay Stock Exchange Limited (BSE). The Company is among the leading merchant bankers in the country. The activities of Centrum Capital Limited encompass the entire gamut of investing banking activities such as Lead Managing of Public Issues, Private Placements, Loan Syndication, Corporate Debt Restructuring, Mergers and Acquisitions, Corporate Advisory Services, Infrastructure Solutions, Private Equity Investments etc., besides dealing in the Primary and Secondary markets of securities.

Centrum Capital Limited has, over the years, built a very strong foundation by investing in high quality talent and technology that drives business and state-of-the-art infrastructure to extend our reach further.

On the debt side, the performance has been satisfactory considering the subdued performance of the domestic secondary equity markets which denied access to many corporate for resource mobilization through primary markets and private placements. The Company has done a total deal size of Rs.73 billion including debt restructuring during the year. The Company has dedicated teams to enable expansion in Corporate Debt Restructuring

and One Time Settlement (OTS) transactions. Moving forward, as the scenario for both banks and the corporate is expected to improve, fresh debt syndication may pick-up, especially in Infrastructure and Power Sectors. Several Companies that are facing liquidity pressure would look at restructuring of debt or asset sale to pare outstanding debt. Entrepreneurs are now seriously looking at expansion opportunities / greenfield projects. The Company's diversified services will help tap these opportunities.

Centrum Broking Limited

We have been able to establish ourselves as a leading house in the Institutional space having more than 150 empanelments. Our thrust has always been on the mid cap side of the markets. Our endeavor is to identify business with strong fundamentals, come out with a comprehensive research reports on such companies and market it aggressively to the clients. We have a proven track record of identifying high quality mid cap stocks backed by strong corporate governance. Last year we were able to do a couple of large ticket size transactions with big credible names thereby giving much visibility to the Institutional broking. With the revival of the equity markets, we are very positive on this business and will continue to invest in right set of talent. We believe that our investments in this business will start yielding very positive results in the coming years.

GROUP RETAIL FINANCIAL SERVICES

With India having emerged as a most exciting market for retail financial services and providing a huge potential for wealth creation, Centrum Group has further strengthened our foray into retail financial services during the year as part of ambitious long-term plans to build a strong retail franchise and thus transform ourselves into a fully-integrated provider of financial services. The Group is

committed to achieving our objectives on the strength of our core expertise, solid team of professionals and through a mix of acquisitions, strategic alliances and tie-ups in select areas with domestic and international synergistic partners.

Centrum Wealth Management Limited

Centrum Wealth Management Limited (CWML) offers wealth management services across the country with offices in the 11 cities of India namely Mumbai, Delhi, Bangalore, Kolkata, Chennai, Hyderabad, Pune, Ahmedabad, Vadodara, Chandigarh and Indore.

The Centrum proposition for wealth advice is supported by a comprehensive set of products across asset classes and set an array of client investment objectives and risk-return profiles. These include mutual funds, discretionary and non-discretionary portfolio management services, alternative investments like private equity offerings, real estate products, structured products and other emerging asset classes, trading capabilities in equities and equity futures, options (derivatives) and capital market lending products.

In the year gone by, Centrum Wealth raised capital through innovative structures for many growth businesses through the high networth investors. This is a key strength developed by Centrum Wealth to increase its penetration in the Private Wealth Management space.

Centrum will continue to invest and grow the Private Wealth Management business in a consistent manner over the years ahead.

CentrumDirect Limited

CentrumDirect Limited (CDL) is one of the leading Authorized Dealers – Category II foreign exchange service providers in India. CentrumDirect Limited is a step down subsidiary of Centrum Capital Limited.

CDL services leading multinationals, large corporate entities, public sector undertakings, banks, large tour operators and retail clients through its wide network of branches and counters in 84 locations. CDL, with 18 outlets in 4 airports, provides money changing services to both inbound and outbound travellers. CDL has majority presence in new Mumbai International Airport and exclusive rights to provide foreign exchange services in Bangalore, Chennai and Trichy integrated airports. CDL offers multifarious services which include currency exchange, travel card, travelers' cheque, outward remittance, inward money transfer, travel insurance and global calling card to its customers.

CDL deals in all major destination currencies. It is one of the leading aggregators of physical currencies and preferred buyers of foreign currency notes from more than 30 banks across India. It has franchisee tie-ups with over 200 hotels and is empanelled with over 2,500 corporate for their foreign currency requirements. CDL also imports foreign currency notes to meet domestic demands.

CDL is the largest seller of prepaid travel cards. It offers white label "Centrum Travel Card" and also other Travel Cards, issued by leading banks, which international travelers use at overseas ATMs and merchant establishments. It also offers foreign currency Demand Drafts and remit foreign currencies overseas for various purposes such as private visits, business travels, overseas education, medical treatment, tour arrangements for travel agents, film shooting, etc.

CDL has positioned itself to emerge as a unique financial services boutique offering diverse foreign exchange services to its customers.

Club 7 Holidays Limited

Centrum offers complete travel solutions suite through

Club 7 Holidays Limited. Earlier, pre-dominantly East India-focused, this boutique travel Company has slowly and steadily expanded into a pan-India presence. Club7 offers a wide range of travel services including customized holidays and group tours for individual travelers and MICE tours to international and domestic destinations for corporates. Club7 is IATA accredited and an active member of TAAI, in addition to being a General Sales Agent for Trafalgar & Insight Tours. Club 7 will continue its thrust for aggressively expanding the business, targeting identified segments which hold immense potential for growth.

Centrum Financial Services Limited

NBFCs have emerged as an important pillar of the financial sector contributing significantly to product innovation, customer centric lending solutions and financial inclusion and have recognized as an important complement to banking system. With a view to mitigate risks in the financial sector and reduce regulatory arbitrage, the Reserve Bank has moved over the last few quarters to curb concentrated lending in certain sectors like loan against jewellery, usurious practices in microfinance, Margins for Loan against shares and tightening of capital requirements.

The Company has set up a scalable platform for Loan against securities with robust risk controls and refinance lines. The company proposes to raise capital and start offering structured credit solutions to small and medium sized corporates with an active collaboration with associate companies for down-selling the credit. The company expects to achieve attractive margins post capitalization and launch of corporate solutions while the Loan against securities business would continue to be a ballast in the backdrop of lumpy corporate credit transactions.

Commonwealth Centrum Advisors Ltd (CCAL)

The 50:50 joint venture between Commonwealth Finance Corporation Ltd. (CFCL) and Centrum Capital Ltd. (CCL) has now successfully entered its third year since its inception. The Fund has outperformed the benchmark indices in the last one year on the back of restructuring efforts taken at the beginning of the year and positive sentiment in the equity market. The philosophy of the fund to invest in mid sized companies also bore fruit as the midcap stocks outperformed the large cap indices. With the recovery in the economy, stability in INR and a reform oriented government at the centre we expect the interest of overseas investors in the Indian equity market to increase. This would lead to better flows into the fund in the foreseeable future.

Centrum Infrastructure & Realty Limited (CIRL)

A wholly-owned subsidiary of Centrum Capital Limited, CIRL has in-depth sector expertise, superior transaction execution capabilities and a proven track record of hand-holding transactions with efficiency, strong local domain knowledge and prompt response management. CIRL has extensive experience in execution of transactions related to land, commercial, retail, logistics, residential, re-development and joint-development arena.

4. Opportunities

Indian economy has gone through a period of slowdown in FY13-14 that has impacted the financial services activity. However, the economy seems to have made a bottom and green shoots seem to be emerging in the form of better GDP growth and improved external account situation. The new government also comes with a lot of promise of reforms that could provide opportunities in the equity, M&A, capital market sectors. Improvement in the macro sentiment would also be beneficial for the business and tourism activity in the country and hence that could be beneficial for the forex business of the company.

The new government is expected to take steps to revive the sentiment for the economy which would lead to increase in the per capita incomes which would translate into requirement of professional financial planning, portfolio management, wealth building and wealth management services in the country across various asset classes. The growing working age population and rising savings rate also provides opportunities for the financial services sector.

5. Threats

Global macro instability is a major risk to markets globally and in turn for the domestic market. This could hamper any financial services activity in the country. Any sharp outflows of capital owing to interest rate rise in the US leading to rupee instability poses a threat to the economy.

Any sharp increase in inflation due to a rise in food inflation leading to higher interest rate environment could be a threat to the financial services sector.

Significant change in regulations by the SEBI or central bank that could lead to a decline in M&A activity or any other regulatory measures taken by the government could be a risk to the financial services activity. Measures taken by the central bank to curb currency flows could hurt the forex activity of the firm. Hence, regulatory risk remains a key threat for the financial services sector.

Any sharp decline in the economic activity owing to delay in implementation of policy decisions or reversal of sentiment in the market could also be a threat to the financial services sector.

6. Future outlook

Indian markets are currently trading at its all-time high and are outperforming all major global indices YTD.

Investors are viewing positively the recent state

election results and spurt of reforms announced by the government including the diesel deregulation.

Indian capital markets have seen strong capital raising post the election results as over \$5.6 billion was raised through equity transactions since the elections.

This augurs well for our Equities, Wealth Management and Broking businesses. The year ahead also promises to open various opportunities for fresh debt syndication. With the current pipeline, we expect reasonable growth in the current year.

In the forex business, with help of our team of professionals and expanded tie up with corporates, hotels, etc we expect to achieve a total turnover of ₹ 50 billion (₹ 5,000 crores) in the current year.

In the wealth business, we expect to increase the size of assets under management by about 50% to over ₹ 400 billion due to significant expansion of team of professionals and branches across the country.

Overall, with the diversified offerings and renewed focus on fast growing businesses like wealth management, forex and Equities, the Company is optimistic of managing the turbulent time ahead. India's long-term growth potential is vast and the multifarious opportunities within the financial services industries augur well for the long-term growth potential of the industry, of which Centrum remains an integral participant.

7. Risk management

For Centrum, an effective risk management policy lies at the core of our business philosophy, which is centered on delivering higher and better returns to all our stakeholders. With ups and downs, volatility and fluctuations in the financial business in which the Company operates, Centrum is exposed to various risks and uncertainties in

the normal course of our business. Since such variations can cause deviations in the results from operations and affect our financial state, the focus on risk management continues to be high.

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

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

8. Internal controls and their adequacy

Centrum has always focused on maintaining a strong internal control system which is commensurate with our size and the nature of operations. The Company's internal controls are structured in a manner that ensure reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies, laws and accounting standards.

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

Internal Audit Firm. The Audit Committee regularly reviews the Internal Audit Reports as well as the findings and recommendations of the Internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up on the implementation of corrective actions. The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of Directors posted with its observations.

9. Human resources

People constitute the nucleus of Centrum's business strategy and the Company is constantly working towards ensuring the best human resource (HR) policies and practices.

The HR is constantly making an effort to assess the effect of the continuously changing Business environment on hiring trends and build an adaptable workforce that thrive in times of change.

The thrust is on hiring, nurturing and retaining the best talent available in the country, which Centrum has successfully managed through focused attention on right fitment. A stringent screening process ensures that Centrum has a highly qualified talent pool of professionals. We are also building a talent pool within the Centrum Group to create future leaders who will make a difference to the Business.

Employee engagement at Centrum does not end with hiring of an employee; in fact it begins with the employee's appointment and continues through his whole career span in the organization. The Company has a robust system for employee development and enhancement, which the top leadership leverages on a regular basis to ensure growth from one level to the next as the individual progresses through Centrum's hierarchy.

A high percentage of the leaders are promoted within, giving them an edge over others to build familiarity with the company culture and understanding the team's needs.

The right training inputs are also provided to these employees to become better leaders.

The Company has performance appraisal systems that are benchmarked with the best in the industry, offering, on the one hand a high level of transparency, and on the other, providing adequate scope for continuous self-improvement through a streamlined counseling process.

The coherent efforts in this direction have also been recognized externally.

As on 30th June, 2014, there were 950 people employed with Centrum Group.

10. Financial overview

Income: The total income for the Company on consolidated basis stood at Rs. 34990.92 million as compared to Rs. 28432.71 million during the previous year, a growth of 23.07% yoy.

EBIDTA: The Company reported a consolidated EBIDTA of Rs. 609.69 million as compared to EBIDTA of Rs.439.52 million in 2012-13, a growth of 38.72% yoy.

PAT: For the year under review, the consolidated Profit After Tax (PAT) stood at Rs. 249.98 million as against Rs. 143.46 million in 2012-13. This improved performance was due to increase in revenues and benefit of significant cost rationalization measures carried out by the Company during the year.

11. Cautionary statement

This report contains several forward-looking statements

that involve risks and uncertainties, including, but not limited to, risks inherent in Centrum's growth strategy, acquisition plans, dependence on certain businesses, dependence on availability of qualified and trained manpower, economic conditions, government policies and other factors. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto.

For and on behalf of the Board of Directors

sd/-

P. R. Kalyanaraman
Managing Director

sd/-

Chandir Gidwani
Non Executive Chairman

Place : Mumbai

Date : 14th November, 2014

Corporate Governance Report

(For the financial year 2013-14, as required under Clause 49 of the Listing Agreement entered into with Bombay Stock Exchange Limited)

A. PHILOSOPHY OF CORPORATE GOVERNANCE:

Your Company believes that sound ethical practices, transparency in operations and timely disclosures go a long way in enhancing shareholders' value while safeguarding the interest of all stakeholders. The Company is committed to adhere to the code of corporate governance as it means adoption of best business practices aimed at growth of the Company coupled with bringing benefits to investors, customers, creditors, employees and the society at large.

The objective of the Company is not just to meet the statutory requirements of the Code of Corporate Governance as prescribed under Clause 49 of the Listing Agreement but to develop such systems and follow such practices and procedures to satisfy the spirit of law.

In accordance with clause 49 of the listing agreement with Bombay Stock Exchange Limited and best practices followed in corporate governance, the details of compliance by the Company are as under:

B. BOARD OF DIRECTORS:

a. Composition of the Board:

The present strength of the Board of Directors of the Company is 12 Directors. The Board

of Directors comprises of 1 (One) Managing Director, 1 (One) Non Executive Chairman, 4 (Four) Non Executive Directors and 6 (Six) Independent Directors.

Half of the Board of Directors comprises of Independent Directors which fulfills the requirements as required under clause 49 of the Listing Agreement.

The details of the Director being appointed and re-appointed on retirement by rotation at the ensuing Annual General Meeting, as required pursuant to Clause 49(IV)(G) of the Listing Agreement, are mentioned in the Notice to the Annual General Meeting, forming part of the Report.

The Board reviews and approves the strategy and oversees the actions and results of Management to ensure that the long term objectives are achieved.

b. Meetings of the Board:

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the details of the Directorship (excluding Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956), Chairmanship and the Committee Memberships held by Directors as on June 30, 2014 are given below:

Name of Director	Category	Attendance Particulars			No. of outside Directorships	No. of Committee positions held (including in the Company)*	
		No. of Board Meetings held during the tenure of Director	No. of Board Meetings attended by the Director	Attended the Last AGM held on 31 st December 2013		Chairman	Member
Mr. Chandir Gidwani	Non-Executive Chairman	4	4	No	5	1	2
Mr. P R Kalyanaraman	Managing Director	4	4	Yes	2	-	1
Mr. Ibrahim Belseh	Independent Director	4	-	No	-	-	-
Mr. Subimal Bhattacharjee	Independent Director	4	-	No	-	-	-
Mr. Rajesh Nanavaty	Independent Director	4	4	Yes	2	2	3
Mr. Ameet Naik	Independent Director	4	4	No	1	-	1
Mr. R. S. Reddy	Independent Director	4	1	No	4	-	1
Mr. Rashid Kidwai	Independent Director	4	1	No	3	-	-
Mrs. Mahakurshid Byramjee	Non-Executive Director	4	-	No	-	-	-
Mr. Rishad Byramjee	Non-Executive Director	4	1	No	2	1	3
Mr. Dhanpal Jhaveri	Non-Executive Director	4	1	No	5	-	6
Mr. Manmohan Shetty	Non Executive Director	4	1	No	6	-	1

Notes:

*Other Directorship does not include Directorship of Private Limited Companies, Foreign Companies, Section 25 Companies and Alternate Directorship. Chairman includes Member. Only Membership and Chairmanship of Audit Committee and Shareholders / Investors Grievances Committee are considered.

Mr. Rishad Byramjee is the son of Mrs. Mahakurshid Byramjee and hence, they are related to each other. There are no other inter-se relationships between the Directors.

Four Board Meetings were held during the financial year 2013-14 and the gap between any two consecutive meetings did not exceed four months at any point of time. The dates on which Board Meetings were held are as follows:

August 29, 2013

November 14, 2013

February 14, 2014

May 15, 2014

c. Code of Conduct:

The Code of Conduct and ethics, which have been formulated for the Board and Senior Management of the Company is posted on the website of the Company, viz. www.centrum.co.in The Board of Directors and Senior Management have affirmed their compliance with the code of conduct.

The Code of Conduct shall be applicable to all the members of the Board of Directors of the Company and all the members of the Senior Management Team of the Company which includes Vice Presidents, Executive Directors and Functional Heads at the Corporate Level.

C. AUDIT COMMITTEE:

1. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited read with section 292A of the Companies Act, 1956.
2. The terms of reference of the Audit Committee are broadly as under:
 - Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
 - Approval of payment to statutory auditors for any other services rendered by them.
 - Reviewing, with the management, the annual financial statements before submission to the

board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing with the management the statement of uses / application of fund raised through an issue.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing

and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- Discussion with internal auditors on any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- To approve appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

All the items listed in Clause 49 (II) (D) of the Listing Agreement are covered in the terms of reference. The Audit committee has been granted powers as prescribed under Clause 49 (II) (C) of the Listing Agreement.

3. Composition of the Audit Committee:

The Audit Committee of the Company comprises of following directors:-

- (2) Mr. Rajesh Nanavaty, Chairman;
- (2) Mr. Ameet Naik and
- (3) Mr. Rishad Byramjee

The Company Secretary of the Company acts as Secretary of the Committee.

4. Meetings and attendance during the year:

During the year the Audit Committee met four times and required members were present in the meetings held on:

- August 29, 2013
- November 14, 2013
- February 14, 2014
- May 15, 2014

D. REMUNERATION/ COMPENSATION COMMITTEE:

The Committee is authorized to determine and approve the remuneration package for any Executive and Non-Executive Directors of the Company and to deal in such other matters as the Board may from time to time request the Committee to examine and recommend/approve and perform such functions as are required to be performed by the Compensation Committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“ESOP Guidelines”)

The Remuneration Committee comprises of following directors:

- (1) Mr. Rajesh Nanavaty, Chairman;
- (2) Mr. Ameet Naik, Member and
- (3) Mr. R. S. Reddy ,Member

Remuneration Policy:

The Company’s remuneration policy is driven by the success and performance of the individual employee

and the Company. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. Individual performance pay is determined by business performance and the performance of individuals measured through the annual appraisal process. The company pays remuneration by way of salary, benefits, perquisites, allowances (fixed component) and commission/ incentives (variable component).

Details of remuneration of Directors (for the year ended June 30, 2014):

(i) Executive Directors' Compensation

The aggregate value of salary and perquisites including commission paid for the year ended June 30, 2014 to the Managing Director is as follows:

Particulars	Mr. P. R. Kalyanaraman
Salary	1,600,000
Allowances and Perquisites	1,821,553
Commission	Nil
Notice Period	1 month
Service Contract	3 years from 1st November, 2012

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

(ii) Non - Executive Directors' Compensation:

Non-Executive Directors of the Company are entitled only to sitting fees for the meeting of Board of Directors and/or Committee meeting attended by them. No other payment is being made to them. The Company pays sitting fees of ₹ 20,000/- per meeting to Non - Executive

Directors for attending meetings of the Board and/or its Committee.

Details of Equity Shares held and sitting fees paid to the Non-Executive Directors during the year ended on June 30, 2014:

Sr. No.	Name of the Director	# Equity Shares held	* Sitting Fees (₹)
1	Mr. Chandir Gidwani	90000	120,000
2	Mrs. Mahakurshid Byramjee	6861120	NIL
3	Mr. Rishad Byramjee	743100	60,000
4	Mr. Rajesh Nanavaty	3000	160,000
5	Mr. Ibrahim Belsalah	Nil	NIL
6	Mr. Dhanpal Jhaveri	Nil	20,000
7	Mr. Subimal Bhattacharjee	Nil	NIL
8	Mr. R. S. Reddy	Nil	20,000
9	Mr. Ameet Naik	Nil	160,000
10	Mr. Rashid Kidwai	Nil	20,000
11	Mr. Manmohan Shetty	Nil	20,000

The Company has not issued any convertible instruments.

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

E. SHAREHOLDERS'/INVESTORS' GRIEVANCES COMMITTEE:

The Committee functions with the objective of looking into redressal of Shareholders'/ Investors' grievances relating to non-receipt of dividend, non-receipt of Annual Report, delay in transfer or transmission of shares, and cases of refusal of transfer or transmission of shares etc.

This Committee comprises of three Directors viz.

- (1) Mr. Rajesh Nanavaty, Chairman;
- (2) Mr. Chandir Gidwani and
- (3) Mr. Rishad Byramjee

The Company has appointed M/s. Link Intime

India Private Limited as the Registrar and Share Transfer Agent. The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services. The Company and Registrars have not received any complaint during the year ended June 30, 2014.

The Company has designated the email id cs@centrum.co.in for registering the Complaints of the investors, in compliance with Clause 47(f) of the Listing Agreement.

During the year, no meetings of Shareholders'/ Investor Grievances Committee were held.

INVESTOR COMPLAINTS:

During the year under review, the Company did not receive any investor complaints.

F. TRANSFER CUM ALLOTMENT COMMITTEE:

This Committee deals with matters relating to transfers/transmission of shares, allotment of shares and other related matters.

This Committee comprises of three Directors viz.

- (1) Mr. Rishad Byramjee, Chairman;
- (2) Mr. Chandir Gidwani and
- (3) Mr. P. R. Kalyanaraman

During the year, there were two meetings of the Transfer cum Allotment Committee on July 08, 2013 and on November 14, 2013.

The Committee, at its meeting held on July 8, 2013, allotted 346,693,950 fully paid up Bonus Equity Shares to the Equity Shareholders of the Company whose names appeared in the Register of Members as on Thursday, the July 4, 2013, being the Record Date.

G. GENERAL BODY MEETINGS:

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

Financial Year	Day, Date and Time	Venue	Special Resolutions passed there at
2012-2013	Monday, December 30, 2013 at 11.00 A.M.	Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai - 400098	1
2011-2012	Monday, December 31, 2012 at 11.00 A.M.	Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai - 400098	2
2010-2011	Friday, December 30, 2011 at 10:30 A.M.	Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai - 400098	2

Particulars of Extra Ordinary General Meeting held during the year and details of the special resolutions passed thereat:

There was no Extra Ordinary General Meeting held during the financial year.

During the Financial year 2013-2014, the Company has passed one special resolution by postal ballot process seeking approval from Members under section 180(1)(a) of the Companies Act, 2013, to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

H. DISCLOSURES:

a. Related Party Transactions

The Company has no material significant transactions with its related parties that may

have a potential conflict with the interest of the Company. The details of transactions with related parties are given for information under notes to the accounts of the Balance Sheet as at June 30, 2014.

b. No penalty or strictures

During the last three years/periods, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

c. Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed all the applicable Accounting Standards laid down by the Institute of Chartered Accountants of India.

d. Disclosures on Risk Management

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

e. Management Discussion and Analysis Report

A Management Discussion and Analysis report forms part of the annual report and includes discussions on various matters specified under clause 49 of the Listing Agreement.

f. Information to Shareholders

- (i) The information as required under Clause 49 of the Listing Agreement, relating to the Directors

proposed to be appointed / re-appointed, is furnished as a part of the Notice convening the Annual General Meeting.

- (ii) The mandatory as well as various additional information of interest to the shareholders is furnished in other sections of the Annual Report.

g. CEO/CFO Certification

In accordance with the Clause 49 of the Listing Agreement with the Stock Exchange, a certificate from the Managing Director was placed before the Board.

h. Report on Corporate Governance

This Corporate Governance Report forms part of the Annual Report. The Company has fully complied with the provisions of Clause 49 of the Listing Agreement.

i. Compliance

- (i) Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is annexed to the Directors' Report and forms part of the Annual Report.

- (ii) The Company has complied with all the mandatory requirements and has adopted following non – mandatory requirements of the Clause 49 of the Listing Agreement:

- a. The Board:

No specific tenure has been specified for the Independent Directors. However, they are liable to retire by rotation and seek re-appointment by the Members.

b. **Remuneration Committee:**
Please refer to the details given under “Remuneration/Compensation Committee”.

c. **Training of Board members:**
The Board members are provided with the necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company’s procedures and practices.

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

I. MEANS OF COMMUNICATION:

The quarterly/annual financial results are regularly submitted to the Bombay Stock Exchange Limited in accordance with the Listing Agreement with the Bombay Stock Exchange Limited and published in English newspaper namely Free Press Journal and in regional language newspaper namely Navshakti. The quarterly/ annual financial results are also regularly posted by the Company on its website www.centrum.co.in

J. GENERAL SHAREHOLDER INFORMATION:

a. Annual General Meeting

31st December, 2014 at 11 A.M. at
Centrum House, C.S.T. Road,
Vidyanagari Marg, Kalina,
Santacruz (East),
Mumbai – 400 098

b. Financial year :

1st July, 2013 to 30th June, 2014

c. Date of Book Closure :

24th December, 2014 to 31st December, 2014
(both days inclusive)

d. Dividend Payment Date :

Not Applicable

e. Listing on Stock Exchanges :

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001.

f. Stock code : 501150

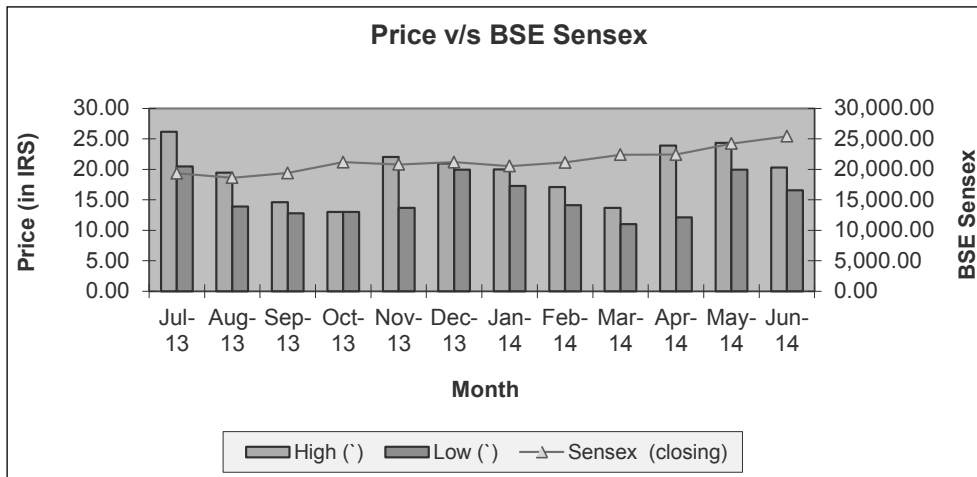
g. Market Price Data :

Share prices of the Company for the period
July 2013 to June 2014

Bombay Stock Exchange Limited			
Month	High (₹)	Low (₹)	Sensex (closing)
Jul-13	26.17**	20.45	19,345.70
Aug-13	19.45	13.90	18,619.72
Sep-13	14.59	12.80	19,379.77
Oct-13	13.00	13.00	21,164.52
Nov-13	22.01	13.65	20,791.93
Dec-13	20.95	19.95	21,170.68
Jan-14	20.00	17.25	20,513.85
Feb-14	17.10	14.10	21,120.12
Mar-14	13.65	11.00	22,386.27
Apr-14	23.90	12.12	22,417.80
May-14	24.35	19.95	24,217.34
Jun-14	20.30	16.55	25,413.78

** Price adjusted for corporate action.

Performance of share price in comparison with broad based index, viz; BSE Sensex:



- g. Registrar and Transfer Agents:** Link Intime India Private Limited
 C-13 Pannalal Silk Mills Compound,
 LBS Marg, Bhandup (W),
 Mumbai 400 078
 Tel. No. 022 - 25963838
 Fax No.: 022 - 25672693
 Email: mumbai@linkintime.co.in

h. Share Transfer System:

Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, and requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days from the date of lodgement, if the documents are clear in all respect.

The Company Secretary who is also the Compliance Officer verifies the transfer Register sent by the Registrar. Investors' grievances, if any, are resolved by the Compliance Officer, failing which, they would be referred to the Shareholders / Investors Grievances Committee.

i. Categories of Shareholding as on 30th June, 2014

	Category	No. of Shares Held	Percentage of Shareholding
A	Promoter's Holding		
1	Promoters		
	-Indian Promoters	138189000	33.22
	- Foreign Promoters	Nil	Nil
2	Persons acting in Concert	Nil	Nil
	Sub-Total	138189000	33.22

	Category	No. of shares Held	Percentage of Shareholding
B	Non-Promoters Holdings		
3	Institutional Investors		
A	Mutual Fund and UTI	Nil	Nil
B	Banks, Financial Institutions, Insurance Companies (Central / State Gov. Institutions/ Non-government Institutions)	Nil	Nil
C	FII's	Nil	Nil
4	Others		
A	Corporate Bodies	178057854	42.8
B	Indian Public	13726696	3.30
C	NRI's	24720	0.01
D	Foreign Companies/Fund	61209480	14.71
E	Centrum ESPS Trust	24581160	5.91
F	Any Other (Clearing Member)	183830	0.04
G	Any Other (NRN)	60000	0.01
	Sub-Total	277843740	66.78
	GRAND TOTAL	416032740	100.00

j. Distribution of Shareholding as on 30th June, 2014:

Sl. No.	Category (Shares)	No. of Shareholders		No. of Shares	
		Number	% of Total Shareholders	Number	% of Total Shares
1	1 - 500	266	53.63	36419	0.01
2	501 - 1000	50	10.08	32926	0.01
3	1001 - 2000	32	6.45	45432	0.01
4	2001 - 3000	18	3.63	46540	0.01
5	3001 - 4000	1	0.20	3600	0.00
6	4001 - 5000	1	0.20	4680	0.00
7	5001 - 10000	19	3.83	133157	0.03
8	10001 - Above	109	21.98	415729986	99.93
	TOTAL	496	100.00	416032740	100.00

k. Dematerialization of shares:

The shares of the Company are available for dematerialization and Agreements have been signed with National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL). Around 90% of the Company's shares are held in dematerialized mode. Trading in dematerialized form is compulsory for all investors. The Company (through its Registrar and Share Transfer Agents) provides the facility of simultaneous transfer and dematerialization of shares and has confirmed the same to NSDL and CDSL.

I. Address of Correspondence:

1. To the Company:

Registered Office:

Bombay Mutual Building,
2nd Floor, Dr. D.N. Road,
Fort, Mumbai - 400001
Tel No.: 022 2266 2434; Fax No.: 022 2261 1105
Email: info@centrum.co.in;
cs@centrum.co.in

Corporate Office:

Centrum House, C.S.T. Road,
Vidyanagari Marg, Kalina,
Santacruz (East),
Mumbai - 400098
Tel No.: 022 4215 9000; Fax No.: 022 4215 9833
Email: info@centrum.co.in;
cs@centrum.co.in

2. Registrar and Share Transfer Agent:

Link Intime India Private Limited
Unit: Centrum Capital Limited
C-13 Pannalal Silk Mills Compound
LBS Marg, Bhandup (W),
Mumbai 400 078
Tel: 022 - 25963838 ; Fax: 022 - 25672693
Email: mumbai@linkintime.co.in

For and on behalf of the Board of Directors

sd/-

P. R. Kalyanaraman
Managing Director

sd/-

Chandir Gidwani
Non Executive Chairman

Place : Mumbai

Date : 14th November, 2014

Certificate by Managing Director

To,
The Board of Directors
Centrum Capital Limited
Mumbai

I, **P. R. Kalyanaraman**, Managing Director of Centrum Capital Limited, hereby certify that:

1. I have reviewed the financial statements, read with the cash flow statement of Centrum Capital Limited for the year ended June 30, 2014 and to the best of my knowledge and belief, I state that;
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - (ii) These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of Company's internal control system pertaining for financial reporting. I have not come across any reportable deficiencies in the design or operation of such internal controls.
4. I have indicated to the Auditors and the Audit Committee:
 - (i) that there are no significant changes in internal controls over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (ii) that there were no instances of significant fraud of which I have become aware.

For Centrum Capital Limited

sd/-
P. R. Kalyanaraman
Managing Director

Place : Mumbai
Date : 28th August, 2014

Auditors' Certificate On Corporate Governance

To
The Members of Centrum Capital Limited

We have examined the compliance of conditions of Corporate Governance by Centrum Capital Limited for the year ended on June 30, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W

sd/-
Sumant Sakhardande
Partner
Membership No. 034828

Place : Mumbai
Date : 14th November, 2014

Auditors' Report

To

The Members of Centrum Capital Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Centrum Capital Limited (“the Company”), which comprise the Balance Sheet as at June 30, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 (“the Act”). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

1. a. We draw attention to Note No. 40(a) of Notes to the Financial Statements, in respect of investments aggregating to ₹ 81,55,23,945 (P.Y: ₹ 81,55,23,945) & loans and advances aggregating to ₹ 10,94,35,737 (P.Y: ₹ 3,23,94,297) in Centrum Broking Limited, a Subsidiary Company. As more fully described in Note No. 40(a), the Management is of the view that there is no permanent diminution to the carrying value of the investments of ₹ 81,55,23,945 & loans and advances of ₹ 10,94,35,737 in the subsidiary and hence no adjustment has been made in this regard in the accompanying financial statements.
 - b. We draw attention to Note No. 40(b) of Notes to the Financial Statements, in respect of investments aggregating to ₹ 1,94,28,125 (P.Y: ₹ 1,94,28,125) & loans and advances aggregating to ₹ 59,19,173 (P.Y: ₹ 58,85,203) in Centrum Capital Holdings, LLC, a Subsidiary Company. As more fully described in Note No. 40(b), the Management is of the view that there is no permanent diminution to the carrying value of the investments of ₹ 1,94,28,125 & loans and advances of ₹ 59,19,173 in the subsidiary and hence no adjustment has been made in this regard in the accompanying financial statements.
 - c. We draw attention to Note No. 40(c) of Notes to the Financial Statements, in respect of investments aggregating to ₹ 31,97,00,000 (P.Y: ₹ 5,00,000) & loans and advances aggregating to ₹ 17,16,45,829 (P.Y: ₹ 32,72,80,258) in Centrum Wealth Management Ltd, a Subsidiary Company. As more fully described in Note No. 40(c), the Management is of the view that there is no permanent diminution to the carrying value of the investments of ₹ 31,97,00,000 & loans and advances of ₹ 17,16,45,829 in the subsidiary and hence no adjustment has been made in this regard in the accompanying financial statements.
2. We draw attention to Note No. 39 of Notes to the Financial Statements, regarding long outstanding trade receivable amounting to ₹ 4,58,32,632 (P.Y: ₹ 4,58,32,632) , are subject to realization and upon which we are unable to comment on. The ultimate shortfall, if any, on realization / on account of non realization of such trade receivable, therefore cannot be quantified.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Companies Act, 1956, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act,
 - e. on the basis of written representations received from the directors as on June 30, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

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

sd/-
Sumant Sakhardande
Partner
Membership No. 034828

Place : Mumbai
Date : 28th August, 2014

Annexure to Auditors' Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of **CENTRUM CAPITAL LIMITED** on the financial statements for the year ended June 30, 2014

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
- (ii) (a) The inventory (Securities & Bonds), which are held in dematerialized form have been physically verified by the management with the supporting evidence during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory (Securities & Bonds) followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions stated in paragraph 4 (iii)(b), (c) and (d) of the order are not applicable.
- (b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions stated in paragraph 4 (iii)(f) and (g) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.

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- (v) (a) According to the information and explanations given to us, there are no transactions relating to contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the register maintained under Section 301.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (vii) In our opinion, the Company has an internal audit system to be commensurate with the size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. Undisputed dues in respect of service tax which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment
The Finance Act, 1994 (Service tax provisions)	Service Tax	18,723,278	June 13 and September 13	6 th of the subsequent month	22 nd August 2014

(c) According to the records of the Company, the dues outstanding of Income-tax & Service Tax on account of any dispute, are as follows :

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994 (Service tax provisions)	Service Tax	1,477,923	F.Y 2002-2006	Additional Commissioner of Service tax
Income Tax Act, 1961	Income Tax	848,030	A.Y 2008-2009	Commissioner of Income Tax (A) - 4
Income Tax Act, 1961	Income Tax	11,310,700	A.Y 2010-2011	Commissioner of Income Tax (A) - 4
Income Tax Act, 1961	Income Tax	8,326,840	A.Y 2011-2012	Commissioner of Income Tax (A) - 4

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or banks or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- (xiv) In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company, in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
- (xvi) The Company has not obtained any term loans.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

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- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the Company had issued 6,314 debentures of ₹ 100,000 each. The Company has created security or charge in respect of debentures issued.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

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

sd/-
Sumant Sakhardande
Partner
Membership No. 034828

Place : Mumbai
Date : 28th August, 2014

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Balance Sheet as at 30th June, 2014

(₹)			
Particulars	Note	30 th June, 2014	30 th June, 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	3	416,032,740	69,338,790
Reserves and surplus	4	2,110,324,785	2,355,182,221
		2,526,357,525	2,424,521,011
Non-current liabilities			
Long-term borrowings	5	634,314,254	3,278,175
Other Non Current Liabilities	6	9,202,135	-
Long-term provisions	7	3,644,421	3,470,838
		647,160,810	6,749,013
Current liabilities			
Short-term borrowings	8	1,177,383,679	1,146,365,497
Other current liabilities	9	218,035,330	310,590,205
Short-term provisions	10	6,375,441	6,431,757
		1,401,794,450	1,463,387,459
TOTAL		4,575,312,785	3,894,657,483
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	110,709,305	141,387,281
Intangible assets		958,045	2,157,830
		111,667,350	143,545,111
Non-current investments	12	2,789,365,362	2,170,550,362
Deferred tax assets (net)	31	36,556,464	20,956,161
Long-term loans and advances	13	272,378,586	224,671,807
		3,209,967,762	2,559,723,441
Current assets			
Inventories	14	28,966,903	74,452,988
Trade receivables	15	457,581,068	361,620,005
Cash and Bank Balances	16	5,822,293	6,180,014
Short-term loans and advances	17	830,344,350	823,834,690
Other current assets	18	42,630,409	68,846,345
		1,365,345,023	1,334,934,042
TOTAL		4,575,312,785	3,894,657,483

The accompanying notes 1 to 43 are an integral part of the Financial Statements.

As per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No.103523W

For and on behalf of Board of Directors
Centrum Capital Limited

sd/-
Sumant Sakhardande
Partner
Membership No.034828

sd/-
P.R. Kalyanaraman
Managing Director
DIN : 01993027

sd/-
Chandir Gidwani
Non Executive Chairman
DIN : 00011916

Place : Mumbai
Date : 28th August, 2014

sd/-
Alpesh Shah
Company Secretary

Statement of Profit and Loss for the year ended 30th June, 2014

(₹)

Particulars	Note	30 th June, 2014	30 th June, 2013
Revenue			
Revenue from Operation	19	514,306,803	660,380,367
Other Income	20	100,062,448	51,664,170
Total Revenue		614,369,251	712,044,537
Expenses			
Employee benefit expenses	21	136,245,612	178,202,078
Finance Costs	22	171,200,832	166,708,366
Depreciation/amortization	11	36,420,133	36,808,431
Other expenses	23	189,588,414	206,894,202
Total Expenses		533,454,991	588,613,077
Profit before exceptional items and tax		80,914,260	123,431,460
Exceptional items (Refer Note 35 & 36)		18,549,042	30,205,459
Profit before tax		99,463,302	153,636,919
<u>Tax Expenses</u>			
- Current tax		46,411,715	-
- MAT		-	34,888,285
- MAT entitlement for earlier years		(45,400,000)	-
- Deferred tax		(15,600,303)	(18,388,280)
Profit for the year		114,051,890	137,136,914
Basic & Diluted earnings per share before Extra ordinary items (Nominal Value of Shares ₹ 1 [Previous Year : ₹ 1])	33	0.27	(0.33)
Basic & Diluted earnings per share after Extra ordinary items (Nominal Value of Shares ₹ 1 [Previous Year : ₹ 1])	33	0.27	(0.33)

The accompanying notes 1 to 43 are an integral part of the Financial Statements.

As per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No.103523W

For and on behalf of Board of Directors
Centrum Capital Limited

sd/-
Sumant Sakhardande
Partner
Membership No.034828

sd/-
P.R. Kalyanaraman
Managing Director
DIN : 01993027

sd/-
Chandir Gidwani
Non Executive Chairman
DIN : 00011916

Place : Mumbai
Date : 28th August, 2014

sd/-
Alpesh Shah
Company Secretary

Cash Flow Statement for the year ended 30th June, 2014

(₹)

Particulars	30 th June, 2014		30 th June, 2013	
Cash Flow from Operating Activities:				
Net Profit before taxation		99,463,302		153,636,919
Adjustments for:				
Depreciation and amortisation Expense	36,420,133		36,808,431	
Loss on sale of fixed assets	239,478		1,234,459	
Sundry balances written off	31,943		215,146	
Securities Premium Utilised for NCD's and Bonus related expenses	(3,013,241)		-	
Foreign exchange loss (net)	1,814,876		115,525	
Interest Income	(98,352,080)		(47,796,024)	
Dividend Income from Non Current Investments	(145,000)		(144,250)	
Sundry balances written back	(1,525,767)		(3,723,896)	
Bad Debts written off	-		252,120	
Provision for doubtful debts	20,776,661		27,439,882	
Provision for Wealth Tax	160,000		160,000	
Finance Costs (Excl. Bank Charges)	166,504,254	122,911,257	162,521,453	177,082,846
Operating profit before working capital changes		222,374,559		330,719,765
Adjustments for :				
Trade Receivables	(116,737,724)		104,254,174	
Inventories	45,486,086		(74,319,789)	
Loans and Advances	17,326,951		(220,531,774)	
Other Liabilities and Provisions	(83,853,315)	(137,778,003)	11,945,722	(178,651,667)
Cash Generated from operations before exceptional items		84,596,557		152,068,097
Direct taxes paid (including tax deducted at source)		(47,563,150)		(73,482,258)
Net Cash generated from Operating Activities		37,033,407		78,585,839
Cash Flow from Investing Activities:				
Purchase of Fixed Assets	(4,925,851)		(5,158,800)	
Sale of Fixed Assets	449,000		991,000	
Repayments of Non Current Loans and advances	(2,970,220)		86,407	
Payment for additional investment in subsidiary	(619,215,000)		-	
Proceeds from sale of subsidiary "Accounts Receivables Management Services (I) Limited"	400,000		-	
Sale / Redemption of Non Current Investments	-		11,791,477	
Interest received	100,699,461		40,617,116	
Dividend Income from Non Current Investments received	145,000		144,250	
Net Cash generated from Investing Activities		(525,417,610)		48,471,450

(₹)

Particulars	30 th June, 2014		30 th June, 2013	
Cash Flows from Financing Activities:				
Proceeds from Long-Term Borrowings	646,010,702		4,128,955	
Repayment of Long-Term Borrowings	(16,223,591)		(2,858,470)	
Proceeds from Short-Term Borrowings	13,013,708,916		7,645,883,387	
Repayments of Short-Term Borrowings	(12,982,690,734)		(7,664,826,275)	
Interest paid	(172,778,812)		(114,479,679)	
Net cash used in financial activity		488,026,481		(132,152,082)
Net (Decrease) in cash and cash equivalents		(357,722)		(5,094,794)
AS AT THE BEGINNING OF THE YEAR (Refer Note 16)				
Cash in Hand including foreign currencies	637,622		707,237	
Balance with Scheduled Banks-Current Accounts	5,451,254		10,471,350	
Balance with other Banks-Current Accounts	91,138		96,218	
Opening cash and cash equivalents		6,180,014		11,274,805
AS AT THE END OF THE YEAR (Refer Note 16)				
Cash in Hand including foreign currencies	1,099,271		637,622	
Balance with Scheduled Banks-Current Accounts	4,641,198		5,451,254	
Balance with other Banks-Current Accounts	81,824		91,138	
Closing cash and cash equivalents		5,822,293		6,180,014

The above cash flow statements have been prepared under the indirect method set out in Accounting Standard (AS)-3, 'Cash Flow Statement' notified pursuant to the Companies (Accounting Standards) Rules, 2006 .

- 1) All figures in brackets are cash outflow.
- 2) Cash and cash equivalents include unpaid dividend amounting to ₹ 81,824/- (P.Y. ₹ 91,138/-)
- 3) Direct Tax paid is treated as arising from operating activities and are not bifurcated between investment and financing activities

As per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No.103523W

For and on behalf of Board of Directors
Centrum Capital Limited

sd/-
Sumant Sakhardande
Partner
Membership No.034828

sd/-
P.R. Kalyanaraman
Managing Director
DIN : 01993027

sd/-
Chandir Gidwani
Non Executive Chairman
DIN : 00011916

Place : Mumbai
Date : 28th August, 2014

sd/-
Alpesh Shah
Company Secretary

Notes forming part of the financial statements

1. Nature of Operations

Centrum Capital Limited (the 'Company') is an Investment Banking Company and a SEBI Registered Category-I Merchant Banker. The Company offers a complete gamut of financial services in the areas of equity capital market, private equity, corporate finance, project finance, stressed asset resolution. The Company is also engaged in trading of bonds.

2. Statement of Significant Accounting Policies

a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the Notified accounting standard by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956 ('the Act'). The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

d) Depreciation

Depreciation on fixed assets is provided on straight line basis at the rates based on estimated useful life of the asset which is envisaged by schedule XIV of the Companies Act, 1956, except for leasehold improvements. Leasehold improvements are amortized over a period of lease or useful life whichever is less.

Notes forming part of the financial statements

Individual asset costing ₹ 5,000 or less are fully depreciated in the year of purchase.

Particulars	Schedule XIV Rates (SLM)
Building	1.63%
Computer Hardware	16.21%
Air Conditioners and Office equipments	4.75%
Vehicles	9.50%
Furnitures and Fixtures	6.33%

e) Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life

f) Intangible Assets

Goodwill

Goodwill is amortized using the straight-line method over a period of ten years.

Computer Software's

The Company capitalizes software and related implementation cost where it is reasonably estimated that the software has an enduring useful life. Software's including operating system licenses are amortized over their estimated useful life of 6 – 9 years.

g) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

h) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

Notes forming part of the financial statements

i) Inventories

Inventories are valued as lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business.

j) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(i) Syndication fees and brokerage income

Syndication fees and brokerage income are accounted on achievements of the milestones as per the mandates / agreements with the clients, where there are no mandates / agreements, as per the terms confirmed and agreed by clients. Non refundable upfront fees received from the clients are accounted as income immediately. In the event of project stipulates performance measures, revenue is considered earned when such performance measures have been completed.

(ii) Income from trading in bonds

Income from trading in bonds is accounted when the risk and rewards of ownership of the bonds are passed to the customer, which is generally on sale of bonds.

(iii) Interest income

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iv) Dividends

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

(v) Profit / Loss on sale of investments

Profit or loss on sale of investments is determined on the basis of the weighted average cost method.

k) Foreign currency transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are

Notes forming part of the financial statements

carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. Exchange differences arising in respect of fixed assets acquired from outside India on or before accounting period commencing after December 7, 2006 are capitalized as a part of fixed asset.

l) Retirement and other employee benefits

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

- (i) Under Payment of Gratuity Act, 1972 'Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year'. The Company makes contribution to a scheme administered by the Life Insurance Corporation of India ("LIC") to discharge the gratuity liability to employees. The Company records its gratuity liability based on an actuarial valuation made by an independent actuary as at year end. Contribution made to the LIC fund and provision made for the funded amounts are expensed in the books of accounts.
- (ii) Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit Method.
- (iii) All actuarial gains / losses are immediately taken to the Profit and Loss account and are not deferred.

m) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that

Notes forming part of the financial statements

there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised as an asset (MAT Credit Entitlement) only if there is convincing evidence for realisation of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

n) Segment Reporting Policies

Identification of segments :

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

Notes forming part of the financial statements

o) Earnings Per Share

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

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

p) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

q) Cash and Bank Balances

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

r) Borrowing costs

Borrowing costs are recognized as an expense in the period in which these are incurred.

(₹)

Particulars	As at 30th June, 2014	As at 30th June, 2013
NOTE 3 : SHARE CAPITAL		
AUTHORISED:		
42,00,00,000 (Previous year 10,000,000) equity shares of ₹ 1/- each	420,000,000	100,000,000
TOTAL	420,000,000	100,000,000
ISSUED:		
416,032,740 Equity Shares (Previous year: 6,933,879) of ₹ 1/- each fully paid up	416,032,740	69,338,790
SUBSCRIBED & FULLY PAID UP:		
416,032,740 Equity Shares (Previous year: 6,933,879) of ₹ 1/- each fully paid up	416,032,740	69,338,790
TOTAL	416,032,740	69,338,790
Equity Shares		
The company has one class of equity shares having a par value of ₹ 1/- each. Each holder of equity shares is entitled to one vote per share. (Refer Note.34). Out of 416,032,740 Equity shares, 346,693,950 Equity shares have been issued for consideration other than cash.		

Notes forming part of the financial statements

Reconciliation of Number of Shares Outstanding:

(₹)

	30 th June, 2014		30 th June, 2013	
	No of Shares	Amount	No of Shares	Amount
Number of shares Outstanding at beginning of the year	6,933,879	69,338,790	6,933,879	69,338,790
Add: Shares issued during the year	409,098,861	346,693,950	-	-
Number of shares Outstanding at the end of the year (Refer Note. 34)	416,032,740	416,032,740	6,933,879	69,338,790

Share holder having more than 5% equity share holding in the Company

(₹)

Share Holder	30 th June, 2014		30 th June, 2013	
	No of Shares	(% of Holdings)	No of Shares	(% of Holdings)
Businessmatch Services (India) Private Limited	138,189,000	33.22	2,303,150	33.22
Indivision India Partners	61,209,480	14.71	1,020,158	14.71
Kaikobad Byramjee & Sons Agency Pvt Ltd.	54,018,000	12.98	900,300	12.98
M. Dinshaw & Co. Pvt. Ltd.	54,000,000	12.98	900,000	12.98
Rinita Impex Pvt. Ltd.	51,291,600	12.33	854,860	12.33
Centrum ESPS Trust	24,581,160	5.91	409,686	5.91
TOTAL	383,289,240	92.13	6,388,154	92.13

Share allotted as fully paid up pursuant to contract(s) without payment being received in cash(during 5 years immediately preceding June 30,2014).

During the year, Company has allotted Bonus Shares in the proportion of 5 (Five) Equity Share of ₹ 1/- each for every 1 (One) Equity Share of ₹ 1/- each by capitalizing ₹ 34,66,93,950/- out of its Securities Premium Account. In the year ended June 30, 2012, 105,783 equity shares were allotted to Capital First Limited (formerly known as Future Capital Holdings Limited) for consideration other than cash pursuant to Share Transfer agreement dated March 29, 2011.

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
NOTE 4 : RESERVES & SURPLUS		
Capital Reserve (Gift of 525,000 equity shares of Rap Media Limited)		
Balances at the beginning and at the end of the year	1	1
Securities Premium Account		
Opening balance	1,845,658,869	1,845,658,869
Less : Securities Premium on account of Bonus issue	346,693,950	-
Less : Securities Premium utilised for adjusting premium on redemption of NCD's	9,202,135	-
Less : Securities Premium Utilised for NCD's and Bonus related expenses	3,013,241	-
Balance as at end of the year	1,486,749,543	1,845,658,869

Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Debenture Redemption Reserve		
Opening balance	-	-
Add: Additions during the year	157,850,000	-
Balance as at end of the year	157,850,000	-
General Reserve		
Balances at the beginning and at the end of the year	2,770,000	2,770,000
Surplus in Statement of Profit & Loss		
Opening balance	506,753,351	369,616,437
Less; Transferred to Debenture Redemption Reserves	157,850,000	-
Add : Net Profit for the year	114,051,890	137,136,914
Balance as at end of the year	462,955,241	506,753,351
TOTAL	2,110,324,785	2,355,182,221
NOTE 5 : LONG TERM BORROWINGS		
Secured Loans		
Term Loans		
From Bank	2,914,254	3,278,175
(Vehicle loans are secured against hypothecation of vehicles purchased there against) (These are repayable in equated periodic installments up to a 3 years period from the date of respective loans. These are repayable by 2017-18 and carry an interest of 5.25% p.a to 11.75% pa)		
Non-Convertible Debentures	631,400,000	-
TOTAL	634,314,254	3,278,175
NOTE 6 : OTHER NON CURRENT LIABIITIES		
Premium on Redemption of Debentures	9,202,135	-
TOTAL	9,202,135	-
NOTE 7 : LONG TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity	742,689	-
Compensated Absences	2,901,732	3,470,838
TOTAL	3,644,421	3,470,838

Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
NOTE 8 : SHORT TERM BORROWINGS		
<u>Secured Loans</u>		
Repayable on Demand From Banks		
City Union Bank Limited (Secured by corporate guarantee and hypothecation of assets [proportionate] of Businessmatch Services (India) Private Limited)	100,000,000	100,000,000
Bank of Baroda (Secured by pledge of bonds)	182,766	52,407,283
The Federal Bank Limited (Secured by pledge of bonds)	-	12,286,994
Standard Chartered Bank (Secured by hypothecation of trade receivables)	-	6,523,231
From Other parties		
Future Retail Limited (Formerly known as Future Capital Holdings Limited) (Secured by pledge of 29,52,217 equity shares of CentrumDirect Limited)	380,000,000	620,000,000
Reliance Capital Limited (Secured by pledge of shares by Businessmatch Services (India) Private Limited)	50,000,000	100,000,000
	530,182,766	891,217,508
<u>Unsecured Loans</u>		
Repayable on Demand From Banks		
The Federal Bank Limited	-	4,182,808
	-	4,182,808
From Related parties		
CentrumDirect Limited	564,046,638	153,665,181
Centrum Infrastructure & Realty Limited	8,654,275	-
	572,700,913	153,665,181
Intercompany Deposits	74,500,000	97,300,000
	74,500,000	97,300,000
TOTAL	1,177,383,679	1,146,365,497

Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
NOTE 9 : Other Current Liabilities		
Current maturities of Long term debts	1,180,504	2,429,472
Interest accrued but not due	94,369,123	100,643,681
Unpaid Dividend (Refer Note (a) below)	81,825	103,459
Other Payables		
For Expenses	33,236,746	72,335,722
Statutory Dues Payable	35,853,061	94,470,484
Book overdraft from Banks	3,979,875	9,769,047
Rent Deposits	3,969,000	3,969,000
Advance from customers	4,513,397	7,376,752
Others	40,851,799	19,492,588
TOTAL	218,035,330	310,590,205
Included in Other Payables for Expenses are:		
Dues to Enterprise controlled by Key Management Personnel :		
Businessmatch Services (India) Private Limited	220,178	964,645
[(Maximum amount outstanding during the year ₹ 1,173,099 (Previous year ₹ 964,645)]		
(a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.		
NOTE 10 : Short Term Provisions		
Provision for Employee Benefits		
Gratuity	3,932,883	4,230,352
Compensated Absences	1,302,219	1,221,066
Provision for wealth tax	1,140,339	980,339
(Net of advance tax : ₹ 4,95,200 [Previous Year : ₹ 4,95,200])		
TOTAL	6,375,441	6,431,757

Notes forming part of the financial statements

(₹)

Note 11 : Fixed Assets

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 1 st July, 2013	Additions	Deductions	As at 30 th June, 2014	Upto 1 st July, 2013	For the year	Deductions	Upto 30 th June, 2014	As at 30 th June, 2014	As at 30 th June, 2013
Tangible Assets										
Leasehold Improvement	180,612,157	-	-	180,612,157	107,352,616	21,238,780	-	128,591,396	52,020,761	73,259,541
Building	1,297,850	-	-	1,297,850	309,495	21,154	-	330,649	967,201	988,355
Plant & Equipment	23,601,042	-	-	23,601,042	23,601,042	-	-	23,601,042	-	-
Furniture & Fixtures	18,837,303	590,755	92,442	19,335,616	8,259,421	1,142,771	16,040	9,386,152	9,949,464	10,577,882
Vehicles	54,499,527	3,619,620	1,616,248	56,502,899	25,793,675	4,804,787	1,004,172	29,594,290	26,908,609	28,705,852
Office Equipments	14,742,998	332,737	-	15,075,735	3,905,997	704,960	-	4,610,957	10,464,778	10,837,001
Computers - Hardware	50,715,312	637,316	-	51,352,628	41,866,731	6,729,012	-	48,595,743	2,756,885	8,848,581
Air Conditioners	11,275,093	-	-	11,275,093	3,105,024	528,462	-	3,633,486	7,641,607	8,170,069
Total	355,581,282	5,180,428	1,708,690	359,053,020	214,194,001	35,169,926	1,020,212	248,343,715	110,709,305	141,387,281
Intangible Assets										
Goodwill	10,180,000	-	-	10,180,000	10,180,000	-	-	10,180,000	-	-
Computer Software	11,128,414	50,423	-	11,178,837	8,970,585	1,250,207	-	10,220,792	958,045	2,157,830
Total	21,308,414	50,423	-	21,358,837	19,150,585	1,250,207	-	20,400,792	958,045	2,157,830
Capital Work in Progress										
Grand Total	376,889,696	5,230,851	1,708,690	380,411,857	233,344,586	36,420,133	1,020,212	268,744,507	111,667,350	143,545,111
Previous Year	375,991,866	5,158,799	4,260,970	376,889,696	198,571,666	36,808,431	2,035,511	233,344,586	143,545,111	

Note 12 : Non-Current Investments - (At cost unless stated otherwise)

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted/ Trade / Non Trade	Partly Paid / Fully paid	Face value per share / unit		In Rupees	
			As At				As At		As At	
			30 th June, 2014	30 th June, 2013			30 th June, 2014	30 th June, 2013	30 th June, 2014	30 th June, 2013
(a)	Investment in Equity Instruments									
	Centrum Infrastructure & Realty Limited	Subsidiary	50,000	50,000	Unquoted - Non-Trade	Fully paid	10	10	500,000	500,000
	Centrum Wealth Management Limited	Subsidiary	20,000,000	50,000	Unquoted - Non-Trade	Fully paid	10	10	319,700,000	500,000
	Centrum Financial Services Limited	Subsidiary	4,750,000	4,750,000	Unquoted - Non-Trade	Fully paid	10	10	90,500,000	90,500,000
	Accounts Receivables Management Services (I) Limited	Subsidiary	-	40,000	Unquoted - Non-Trade	Fully paid	-	10	-	400,000
	CentrumDirect Limited	Subsidiary	6,789,434	5,904,434	Unquoted - Non-Trade	Fully paid	10	10	1,433,486,490	1,133,471,490
	Centrum Broking Limited	Subsidiary	19,290,669	19,290,669	Unquoted - Non-Trade	Fully paid	10	10	815,523,945	815,523,945
	Commonwealth Centrum Advisors Limited	Joint Venture	3,305,282	3,305,282	Unquoted - Non-Trade	Fully paid	10	10	19,809,794	19,809,794
	Centrum Securities Private Limited	Associate	100,000	100,000	Unquoted - Non-Trade	Fully paid	10	10	1,000,000	1,000,000
	Essel Centrum Holdings Limited	Associate	500,000	500,000	Unquoted - Non-Trade	Partly paid	10	10	1,000,000	1,000,000
	Centrum Capital Holdings LLC	100% Interest in LLC	-	-	Unquoted - Non-Trade	-	-	-	19,428,125	19,428,125
	Nikumbh Dairy Products Limited	Others	4,000	4,000	Quoted - Non-Trade	Fully paid	10	10	109,500	109,500
	Birla Transasia Carpets Limited	Others	9,100	9,100	Quoted - Non-Trade	Fully paid	10	10	153,159	153,159
	Kaiser Press Limited	Others	500	500	Quoted - Non-Trade	Fully paid	10	10	5,000	5,000
	Dynemic Products Limited	Others	10,000	10,000	Quoted - Non-Trade	Fully paid	10	10	350,000	350,000
	Lumax Auto Technologies Limited	Others	5,000	5,000	Quoted - Non-Trade	Fully paid	10	10	225,000	225,000
	Jagjanani Textiles	Others	10,000	10,000	Quoted - Non-Trade	Fully paid	10	10	250,000	250,000
	Hilton Metal Forging Limited	Others	5,000	5,000	Quoted - Non-Trade	Fully paid	10	10	350,000	350,000
	Rap Media Limited	Others	608,550	608,550	Quoted - Non-Trade	Fully paid	10	10	12,104,675	12,104,675
	Softchip Technologies Limited	Others	907,200	907,200	Unquoted - Non-Trade	Fully paid	10	10	9,072,000	9,072,000
Pan India Motors Private Limited	Others	11,800,000	11,800,000	Unquoted - Non-Trade	Fully paid	10	10	43,000,000	43,000,000	
							Total		2,766,567,688	2,147,752,688
(b)	Investment in Preference shares									
	Indra Investments Advisory Private Limited	Others	100,000	100,000	Unquoted - Non-Trade	Fully paid	100	100	10,000,000	10,000,000
	SRR Consultants Private Limited	Others	10,000	10,000	Unquoted - Non-Trade	Fully paid	10	10	10,000,000	10,000,000
	Ray Realtors Private Limited	Others	20,000	20,000	Unquoted - Non-Trade	Fully paid	10	10	5,000,000	5,000,000
							Total		25,000,000	25,000,000
							Grand Total		2,791,567,688	2,172,752,688
									2,202,326	2,202,326
									2,789,365,362	2,170,550,362

Less: Provision for diminution in value of investments

Aggregate Value of Quoted Investments ₹	13,547,334
13,654,357/- [Market value of/(Previous year ₹	2,778,020,354
6,659,714/-)]	2,202,326
Aggregate Value of Unquoted Investments (In ₹)	
Aggregate Provision for diminution in value of investments (In ₹)	

Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Note 13 : LONG TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE SPECIFIED)		
Deposits	71,420,619	70,059,244
	71,420,619	70,059,244
Included in Deposits are:		
Dues from Enterprise controlled by Key Management Personnel Businessmatch Services (India) Private Limited [Maximum amount outstanding during the year ₹ 3,000,000/- (Previous Year ₹ 3,000,000/-)]	3,000,000	3,000,000
Dues from Key Management Personnel Chandir Gidwani [Maximum amount outstanding during the year ₹ 3,000,000/- (Previous Year ₹ 3,000,000/-)]	3,000,000	3,000,000
Loan & advances to related parties		
Centrum Capital Holding LLC [Maximum amount outstanding during the year ₹ 5,919,173 /- (Previous Year ₹ 58,85,203/-)]	5,919,173	5,885,203
	5,919,173	5,885,203
Advance for purchase of shares		
Advance for purchase of shares pending transfer	10,000,000	10,000,000
	10,000,000	10,000,000
Other Loans and Advances		
Advance Tax & Tax Deducted at Source (Net of provision for tax ₹ 328,836,511/- (Previous Year ₹ 327,382,319/-)]	183,978,773	137,427,338
Pre-Paid Expenses	1,060,021	1,300,022
	185,038,794	138,727,360
TOTAL	272,378,586	224,671,807

	As at 30 th June, 2014		As at 30 th June, 2013	
	Quantity (Units)	Amount (₹)	Quantity (Units)	Amount (₹)
Note 14 : INVENTORIES				
Inventories (at lower of cost and net realisable value)				
Unquoted bonds				
08.72% SAIL 2020	-	-	8	7,981,065
08.80% REC 2020	-	-	5	5,186,267
11.08% LIC Housing 2018	-	-	1	1,152,212
10.65% Indiabulls Financial Services 2027	-	-	15	1,456,500

Notes forming part of the financial statements

	As at 30 th June, 2014		As at 30 th June, 2013	
	Quantity (Units)	Amount (₹)	Quantity (Units)	Amount (₹)
08.90% IDFC 2025	-	-	14	14,968,052
10.75% Shriram Transport Fin 2020	-	-	23	22,728,600
11.40% Tata Power Perpetual	-	-	1	1,082,805
09.75% IFCI 2030	-	-	4	4,030,904
08.28% GOI 2032	-	-	150,000	15,866,583
10.18% GOI 2026	25,000	2,823,574	-	-
09.38% Andhra Pradesh SDL 2024	70,000	7,441,257	-	-
07.77% IRFC 2026	50	4,983,570	-	-
08.58% Allhabad Bank 2024	2	1,993,562	-	-
09.40% IDBI Bank 2026	6	6,101,433	-	-
08.15% APPFC 2020	2	1,934,326	-	-
08.82% REC 2023	1	987,640	-	-
10.50% IFCI 2021	250	2,701,541	-	-
TOTAL	95,311	28,966,903	150,071	74,452,988

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Note 15 : TRADE RECEIVABLES		
(UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE SPECIFIED)		
Trade Receivables outstanding for a period exceeding six months		
Considered good	295,894,325	251,568,699
Considered doubtful	103,317,490	80,334,043
	399,211,815	331,902,742
Trade Receivables outstanding for a period less than six months		
Considered good	161,686,743	110,051,306
	560,898,558	441,954,048
Less : Provision for doubtful debts	103,317,490	80,334,043
TOTAL	457,581,068	361,620,005
Note 16 : CASH AND BANK BALANCES		
Cash and Cash equivalents		
Balances with Banks	4,641,198	5,451,254
Cash on Hand including foreign currencies	1,099,271	637,622
Other Bank Balances		
Earmarked Balances With Banks		
Unpaid dividend accounts	81,824	91,138
TOTAL	5,822,293	6,180,014

Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Note 17 : SHORT TERM LOANS AND ADVANCES		
(UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE SPECIFIED)		
Loans and Advances to related parties		
Centrum Wealth Management Limited [(Maximum amount outstanding during the year ₹ 490,845,829 (Previous year ₹ 343,282,233)]	171,645,829	327,280,258
Centrum Financial Services Limited [(Maximum amount outstanding during the year ₹ 427,734,896 (Previous year ₹ 202,532,532)]	181,501,049	3,812,256
Centrum Infrastructure & Realty Limited [(Maximum amount outstanding during the year ₹ 114,660,413) (Previous year ₹ 97,757,777)]	-	72,250,413
Centrum Fiscal Private Limited [(Maximum amount outstanding during the year ₹ 100,000 (Previous year ₹ 100,000)]	100,000	100,000
Centrum Securities Private Limited [(Maximum amount outstanding during the year ₹ 16,25,000 (Previous year ₹ 16,25,000)]	-	1,625,000
Centrum ESPS Trust [(Maximum amount outstanding during the year ₹ 306,225,000 (Previous year ₹ 306,225,000)]	306,225,000	306,225,000
Centrum Broking Limited [(Maximum amount outstanding during the year ₹ 109,435,737 (Previous year ₹ 67,044,297)]	109,435,737	32,394,298
	768,907,615	743,687,225
Loans to employees and others	3,078,334	3,843,000
Considered doubtful	3,000,000	3,000,000
	6,078,334	6,843,000
Less: Provision for doubtful advances	3,000,000	3,000,000
	3,078,334	3,843,000
Other Loans and Advances		
Pre-Paid Expenses	2,454,833	1,679,270
Other Loans and advances		
Considered good	55,903,568	74,625,195
Considered doubtful	453,488	453,488
	56,357,056	75,078,683

(₹)

Particulars	As at 30th June, 2014	As at 30th June, 2013
Less: Provision for doubtful advances	453,488	453,488
	55,903,568	74,625,195
TOTAL	830,344,350	823,834,690
Note 18- OTHER CURRENT ASSETS		
Rent Receivable	18,929,727	15,355,603
Other Receivable	-	27,442,679
Interest Receivable	23,700,682	26,048,063
TOTAL	42,630,409	68,846,345

Notes forming part of the financial statements

(₹)

Particulars	For the year ended 30 th June, 2014	For the year ended 30 th June, 2013
NOTE 19 : REVENUE FROM OPERATIONS:		
Syndication, Commission & Brokerage	487,677,795	625,289,470
Trading in Bonds (net)	26,629,008	35,090,897
TOTAL	514,306,803	660,380,367
NOTE 20 : OTHER INCOME		
Interest		
Others	98,352,080	47,796,024
Dividend income		
Dividend on Equity Shares - Non-trade	45,000	44,250
Dividend on Preference Shares - Non-trade	100,000	100,000
Other Income	39,601	-
Sundry Balances Written Back	1,525,767	3,723,896
TOTAL	100,062,448	51,664,170
NOTE 21 : EMPLOYEE BENEFITS EXPENSE		
Salaries wages and bonus	127,950,332	163,275,880
Contribution to provident & other funds		
E.S.I.C.	8,443	13,944
Provident Fund	6,003,812	7,360,468
Gratuity Expenses	445,220	4,225,050
Compensated Absences	310,069	2,121,571
Staff welfare expenses	1,527,736	1,205,165
TOTAL	136,245,612	178,202,078
NOTE 22 : FINANCE COSTS		
Interest expense		
on banks	18,341,136	21,634,417
on others	148,163,118	140,887,036
Bank charges	4,696,578	4,186,913
TOTAL	171,200,832	166,708,366

Notes forming part of the financial statements

(₹)

Particulars	For the year ended 30 th June, 2014	For the year ended 30 th June, 2013
NOTE 23 : OTHER EXPENSE		
Rent	51,965,942	64,541,588
Rates & Taxes [including wealth tax ₹ 160,000/- (Previous year ₹ 160,000/-)]	330,485	1,813,663
Electricity	6,103,487	5,397,927
Foreign exchange loss (net)	1,814,876	115,525
Repair and maintenance - others	1,384,891	1,025,139
Insurance	663,185	489,344
Advertising	66,776	189,852
Business promotion	5,819,112	3,881,254
Meeting and seminars	47,066	529,188
Subscription and membership fees	1,239,459	985,938
Commission and brokerage	1,962,368	10,489,496
Travelling and conveyance	10,309,029	14,114,297
Vehicle Expenses	8,143,516	9,520,510
Communication costs	3,205,816	3,912,705
Printing and stationery	830,447	900,989
Legal & professional fees	59,796,217	48,456,732
Office Expenses	10,166,958	9,036,882
Bad Debts Written Off	-	252,120
Provision for Doubtful Debts	20,776,661	27,439,882
Director's sitting fees	595,860	881,267
Audit Fees (Refer Note 30)	1,264,923	1,112,035
Tax audit fees	40,989	-
Sundry Balance Written Off	31,943	215,146
Donation and contributions to charitable institutions	233,200	60,100
Loss on sale of fixed assets (net)	239,478	1,234,459
Miscellaneous expenses	955,730	298,164
Registration Fees	1,600,000	-
TOTAL	189,588,414	206,894,202

Notes forming part of the financial statements

23. Segment Information

Business Segment

The Company has for the purpose of segment reporting identified two major businesses i.e. Investment Banking and Trading in Bonds. Segments have been identified and reported based on the nature of operation involved, the risks and returns, the organization structure and the internal financial reporting systems.

Segment information for secondary segment reporting (by geographical segment). Company's operations are mainly conducted in India. Company has a representative office at Dubai. Consequently the commercial risks and returns involved the basis of geographic segmentation is relatively insignificant. Accordingly, secondary segment disclosures based on geographic segments have not been reported.

Segment wise information for the year ended 30th June 2014

(i) Information about Primary business Segments.

Particulars	Investment Banking		Trading in Bonds		Unallocated		Total	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Revenue								
Income from operations	487,677,795	625,289,470	26,629,008	35,090,897	100,062,448	51,664,170	614,369,251	712,044,538
Total revenue	487,677,795	625,289,470	26,629,008	35,090,897	100,062,448	51,664,170	614,369,251	712,044,538
Result								
Expenditure	293,560,590	340,873,300	73,390,147	85,218,325	-	-	366,950,737	426,091,625
Segment result	194,117,205	284,416,171	(46,761,139)	(50,127,428)	100,062,448	51,664,170	247,418,514	285,952,913
Interest expense	11,006,462	14,110,646	7,336,019	7,557,203	148,161,773	140,853,604	166,504,254	162,521,453
Profit/(Loss) before taxation, Exceptional and prior period items	183,110,743	270,305,525	(54,097,159)	(57,684,630)	(48,099,325)	(89,189,434)	80,914,260	123,431,460
Exceptional Items	-	-	-	-	18,549,042	30,205,459	18,549,042	30,205,459
Profit/(Loss) before taxation and prior period items	-	-	-	-	-	-	99,463,302	153,636,919
Tax expenses	-	-	-	-	(14,588,588)	16,500,005	(14,588,588)	16,500,005
Net Profit/(Loss)							114,051,890	137,136,914
Other Information								
Segment assets	640,055,070	557,560,886	55,706,964	107,214,649	3,879,550,751	3,229,881,948	4,575,312,785	3,894,657,483
Total Assets	640,055,070	557,560,886	55,706,964	107,214,649	3,879,550,751	3,229,881,948	4,575,312,785	3,894,657,483
Segment liabilities	39,032,080	80,510,282	9,557,795	78,599,075	2,000,365,385	1,311,027,115	2,048,955,260	1,470,136,472
Total liabilities	39,032,080	80,510,282	9,557,795	78,599,075	2,000,365,385	1,311,027,115	2,048,955,260	1,470,136,472
Capital expenditure	4,184,680	4,127,039	1,046,170	1,031,760	-	-	5,230,850	5,158,799
Depreciation	28,135,941	28,447,442	7,033,985	7,111,860	-	-	35,169,926	35,559,302
Amortisation	1,000,165	999,303	250,041	249,826	-	-	1,250,206	1,249,129
Provision for bad and doubtful debt and bad debts written off	20,808,604	27,907,148	-	-	-	-	20,808,604	27,907,148

- (i) All of the Company's operations are conducted in India. Consequently the commercial risks and returns involved on the basis of geographic segmentation are relatively insignificant. Accordingly, secondary segment disclosures based on geographic segments have not been reported.
- (ii) The Company is organised into two main business segments namely:
 - Investments Banking - Comprising financial services and merchant banking activities.
 - Trading in Bonds - Comprising of purchase and sale of bonds.
- (iii) Items that relate to the enterprise as a whole or at corporate level not attributable to a particular segment are included under "Unallocated".
- (iv) There are no Intersegment transfers.

Notes forming part of the financial statements

24. Related Party Disclosures

(i) Names of Related Parties

In terms of Accounting Standard 18 (AS-18) 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules, 2006, the disclosures of transactions with the related parties as defined in AS-18 are given below :

Subsidiary Companies	<ul style="list-style-type: none"> - CentrumDirect Limited - Centrum Financial Services Limited - Centrum Wealth Management Limited - Centrum Broking Limited - Centrum Infrastructure & Realty Limited - Centrum Capital Holdings LLC - Accounts Receivable Management Services (India) Limited (Upto May 15, 2014)
Stepdown Subsidiaries	<ul style="list-style-type: none"> - Club 7 Holidays Limited (Subsidiary of CentrumDirect Limited) - Centrum Securities LLC (Subsidiary of Centrum Capital Holdings LLC)
Joint Ventures	<ul style="list-style-type: none"> - Commonwealth Centrum Advisors Limited
Names of other related parties with whom transactions have taken place during the year	
Enterprise controlled by Key Management Personnel	<ul style="list-style-type: none"> - Businessmatch Services (India) Private Limited - Sonchajyo Investments & Finance Private Limited
Associates / entities where company has significant influence	<ul style="list-style-type: none"> - Centrum Securities Private Limited - Essel Centrum Holdings Limited
Key Management Personnel	<ul style="list-style-type: none"> - Mr. P. R. Kalyanaraman, Managing Director - Mr. Chandir Gidwani, Non Executive Chairman - Mr. Alpesh Shah, Company Secretary

24. Related Party (Contd.)

(ii) Transactions carried out with the related parties in (i)

Nature of transaction	Joint Ventures		Subsidiary Companies		Enterprise controlled by Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Associates / Entities where company has significant influence		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Inter-Corporate Deposits Given														
Centrum Infrastructure & Realty Ltd.	-	-	127,820,312	138,496,808	-	-	-	-	-	-	-	-	127,820,312	138,496,808
Centrum Wealth Management Ltd.	-	-	195,427,719	133,320,000	-	-	-	-	-	-	-	-	195,427,719	133,320,000
Centrum Broking Limited	-	-	264,191,439	194,066,559	-	-	-	-	-	-	-	-	264,191,439	194,066,559
Centrum Financial Services Limited	-	-	1,594,443,793	1,121,578,297	-	-	-	-	-	-	-	-	1,594,443,793	1,121,578,297
Centrum Securities Private Limited	-	-	-	-	-	-	-	-	-	-	1,000,000	-	-	1,000,000
Total	-	-	2,181,883,263	1,587,461,664	-	-	-	-	-	-	1,000,000	-	2,181,883,263	1,588,461,664
Inter-Corporate Deposits taken back														
Centrum Infrastructure & Realty Ltd.	-	-	208,725,000	160,717,570	-	-	-	-	-	-	-	-	208,725,000	160,717,570
Centrum Wealth Management Ltd.	-	-	351,062,148	40,950,000	-	-	-	-	-	-	-	-	351,062,148	40,950,000
Centrum Broking Limited	-	-	187,150,000	183,842,262	-	-	-	-	-	-	-	-	187,150,000	183,842,262
Centrum Financial Services Limited	-	-	1,416,755,000	1,119,203,712	-	-	-	-	-	-	-	-	1,416,755,000	1,119,203,712
Centrum Securities Private Limited	-	-	-	-	-	-	-	-	-	-	1,625,000	-	-	1,625,000
Total	-	-	2,163,692,148	1,504,713,544	-	-	-	-	-	-	1,625,000	-	2,165,317,148	1,504,713,544
Inter-Corporate Deposits taken														
CentrumDirect Limited	-	-	2,973,469,181	1,043,950,000	-	-	-	-	-	-	-	-	2,973,469,181	1,043,950,000
Centrum Financial Services Limited	-	-	-	4,507,600	-	-	-	-	-	-	-	-	-	4,507,600
Total	-	-	2,973,469,181	1,048,457,600	-	-	-	-	-	-	-	-	2,973,469,181	1,048,457,600
Inter-Corporate Deposits repaid														
CentrumDirect Limited	-	-	2,563,087,724	1,079,500,000	-	-	-	-	-	-	-	-	2,563,087,724	1,079,500,000
Centrum Financial Services Limited	-	-	-	75,030,397	-	-	-	-	-	-	-	-	-	75,030,397
Total	-	-	2,563,087,724	1,154,530,397	-	-	-	-	-	-	-	-	2,563,087,724	1,154,530,397
Commission & Brokerage Paid														
Centrum Wealth Management Ltd.	-	-	1,773,152	8,380,315	-	-	-	-	-	-	-	-	1,773,152	8,380,315
Total	-	-	1,773,152	8,380,315	-	-	-	-	-	-	-	-	1,773,152	8,380,315
Travelling Expenses														
Club 7 Holidays Limited	-	-	5,930,855	10,310,859	-	-	-	-	-	-	-	-	5,930,855	10,310,859
Total	-	-	5,930,855	10,310,859	-	-	-	-	-	-	-	-	5,930,855	10,310,859

Nature of transaction	Joint Ventures		Subsidiary Companies		Enterprise controlled by Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Associates / Entities where company has significant influence		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Business Promotion Expenses														
Club 7 Holidays Limited	-	-	880,683	591,697	-	-	-	-	-	-	-	-	880,683	591,697
Total	-	-	880,683	591,697	-	-	-	-	-	-	-	-	880,683	591,697
Purchase of Foreign currency														
CentrumDirect Limited	-	-	2,339,872	1,094,499	-	-	-	-	-	-	-	-	2,339,872	1,094,499
Total	-	-	2,339,872	1,094,499	-	-	-	-	-	-	-	-	2,339,872	1,094,499
Brokerage Expenses														
Centrum Broking Limited	-	-	78,557	-	-	-	-	-	-	-	-	-	78,557	-
Total	-	-	78,557	-	-	-	-	-	-	-	-	-	78,557	-
Professional Income														
Centrum Wealth Management Ltd	-	-	12,200,626	-	-	-	-	-	-	-	-	-	12,200,626	-
Total	-	-	12,200,626	-	-	-	-	-	-	-	-	-	12,200,626	-
Rent Income														
Centrum Wealth Management Ltd.	-	-	32,564,618	29,499,904	-	-	-	-	-	-	-	-	32,564,618	29,499,904
CentrumDirect Limited	-	-	7,306,124	7,099,068	-	-	-	-	-	-	-	-	7,306,124	7,099,068
Centrum Financial Services Limited	-	-	905,749	1,647,210	-	-	-	-	-	-	-	-	905,749	1,647,210
Centrum Infrastructure & Realty Ltd.	-	-	682,062	1,647,210	-	-	-	-	-	-	-	-	682,062	1,647,210
Centrum Broking Limited	-	-	17,682,533	10,022,490	-	-	-	-	-	-	-	-	17,682,533	10,022,490
Total	-	-	59,141,086	49,915,883	-	-	-	-	-	-	-	-	59,141,086	49,915,883
Outstanding payable on purchase of of Forex														
CentrumDirect Limited	-	-	49,586	-	-	-	-	-	-	-	-	-	49,586	-
Total	-	-	49,586	-	-	-	-	-	-	-	-	-	49,586	-
Outstanding payable on purchase of of Air Tickets														
Club 7 Holidays Limited	-	-	3,763,024	8,076,462	-	-	-	-	-	-	-	-	3,763,024	8,076,462
Total	-	-	3,763,024	8,076,462	-	-	-	-	-	-	-	-	3,763,024	8,076,462
Rent Expenses														
Businessmatch Services (India) Private Limited	-	-	-	-	1,581,236	1,552,499	-	-	-	-	-	-	1,581,236	1,552,499
CentrumDirect Limited	-	-	2,435,473	3,245,568	-	-	-	-	-	-	-	-	2,435,473	3,245,568
Total	-	-	2,435,473	3,245,568	1,581,236	1,552,499	-	-	-	-	-	-	4,016,709	4,798,067

Nature of transaction	Joint Ventures		Subsidiary Companies		Enterprise controlled by Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Associates / Entities where company has significant influence		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Electricity Expenses														
CentrumDirect Limited	-	-	358,809	563,186	-	-	-	-	-	-	-	-	358,809	563,186
Total	-	-	358,809	563,186	-	-	-	-	-	-	-	-	358,809	563,186
Interest Income														
Centrum Financial Services Limited	-	-	33,499,368	6,036,220	-	-	-	-	-	-	-	-	33,499,368	6,036,220
Centrum Wealth Management Ltd.	-	-	55,335,375	37,038,096	-	-	-	-	-	-	-	-	55,335,375	37,038,096
Centrum Broking Limited	-	-	5,271,542	3,741,387	-	-	-	-	-	-	-	-	5,271,542	3,741,387
Centrum Securities Private Limited	-	-	-	-	-	-	-	-	-	-	224,384	177,637	224,384	177,637
Total	-	-	94,106,285	46,815,703	-	-	-	-	-	-	224,384	177,637	94,330,668	46,993,340
Interest Expenses														
CentrumDirect Limited	-	-	61,514,235	45,314,762	-	-	-	-	-	-	-	-	61,514,235	45,314,762
Total	-	-	61,514,235	45,314,762	-	-	-	-	-	-	-	-	61,514,235	45,314,762
Directors sitting Fees														
Mr. Chandir Gidwani	-	-	-	-	-	-	-	120,000	160,000	-	-	-	120,000	160,000
Mr. Rajesh Nanavaty	-	-	-	-	-	-	-	160,000	260,000	-	-	-	160,000	260,000
Mr. Rishad Byramjee	-	-	-	-	-	-	-	60,000	240,000	-	-	-	60,000	240,000
Mr. Dhampal Jhaveri	-	-	-	-	-	-	-	20,000	20,000	-	-	-	20,000	20,000
Mr. Ameet Naik	-	-	-	-	-	-	-	160,000	80,000	-	-	-	160,000	80,000
Mr. Rashid Kidwai	-	-	-	-	-	-	-	20,000	20,000	-	-	-	20,000	20,000
Mr. Manmohan Shetty	-	-	-	-	-	-	-	20,000	40,000	-	-	-	20,000	40,000
Mr. Subimal Bhattacharjee	-	-	-	-	-	-	-	-	20,000	-	-	-	-	20,000
Mr. R. S. Reddy	-	-	-	-	-	-	-	20,000	20,000	-	-	-	20,000	20,000
Total	-	-	-	-	-	-	-	580,000	860,000	-	-	-	580,000	860,000
Professional Fees Expenses														
Sonchajyo Investment and Finance Private Limited	-	-	-	-	1,200,000	1,200,000	-	-	-	-	-	-	1,200,000	1,200,000
Total	-	-	-	-	1,200,000	1,200,000	-	-	-	-	-	-	1,200,000	1,200,000
Managerial Remuneration														
Mr. T. R. Madhavan	-	-	-	-	-	-	-	-	1,973,200	-	-	-	-	1,973,200
Mr. P. R. Kalyanaraman	-	-	-	-	-	-	6,000,000	3,421,553	-	-	-	-	6,000,000	3,421,553
Total	-	-	-	-	-	-	6,000,000	5,394,753	-	-	-	-	6,000,000	5,394,753

Nature of transaction	Joint Ventures		Subsidiary Companies		Enterprise controlled by Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Associates / Entities where company has significant influence		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Other Remuneration														
Ms. Sonia Gidwani	-	-	-	-	-	-	-	-	6,431,082	5,711,566	-	-	6,431,082	5,711,566
Total	-	-	-	-	-	-	-	-	6,431,082	5,711,566	-	-	6,431,082	5,711,566
Amount Receivable as at the June 30, 2014														
Rent Receivable														
CentrumDirect Limited	-	-	1,907,478	1,774,767	-	-	-	-	-	-	-	-	1,907,478	1,774,767
Centrum Wealth Management Ltd.	-	-	11,435,528	7,153,991	-	-	-	-	-	-	-	-	11,435,528	7,153,991
Centrum Infrastructure & Realty Ltd.	-	-	259,575	220,020	-	-	-	-	-	-	-	-	259,575	220,020
Centrum Financial Services Limited	-	-	259,575	220,020	-	-	-	-	-	-	-	-	259,575	220,020
Centrum Broking Limited	-	-	5,067,571	4,295,353	-	-	-	-	-	-	-	-	5,067,571	4,295,353
Total	-	-	18,929,727	13,664,151	-	-	-	-	-	-	-	-	18,929,727	13,664,151
Interest Receivable														
Centrum Financial Services Limited	-	-	4,523,081	3,333,023	-	-	-	-	-	-	-	-	4,523,081	3,333,023
Centrum Wealth Management Ltd.	-	-	16,570,840	20,227,620	-	-	-	-	-	-	-	-	16,570,840	20,227,620
Centrum Broking Limited	-	-	1,552,855	1,188,461	-	-	-	-	-	-	-	-	1,552,855	1,188,461
Centrum Securities Private Limited	-	-	-	-	-	-	-	-	-	-	245,055	-	-	245,055
Total	-	-	22,646,776	24,749,104	-	-	-	-	-	-	245,055	-	22,646,776	24,994,158
Sundry Debtors														
Centrum Wealth Management Ltd.	-	-	2,488,560	-	-	-	-	-	-	-	-	-	2,488,560	-
	-	-	2,488,560	-	-	-	-	-	-	-	-	-	2,488,560	-
Security Deposits														
Businessmatch Services (India) Private Limited	-	-	-	3,000,000	-	-	-	-	-	-	-	-	3,000,000	3,000,000
Mr. Chandir Gidwani	-	-	-	-	3,000,000	3,000,000	-	-	-	-	-	-	3,000,000	3,000,000
Total	-	-	-	-	3,000,000	3,000,000	-	-	-	-	-	-	6,000,000	6,000,000
Loan/Advances receivable														
Centrum Wealth Management Ltd.	-	-	171,645,829	327,280,258	-	-	-	-	-	-	-	-	171,645,829	327,280,258
Centrum Broking Limited	-	-	109,435,737	32,394,298	-	-	-	-	-	-	-	-	109,435,737	32,394,298
Centrum Financial Services Limited	-	-	181,501,049	3,812,256	-	-	-	-	-	-	-	-	181,501,049	3,812,256
Centrum Infrastructure & Realty Ltd.	-	-	-	72,250,413	-	-	-	-	-	-	-	-	-	72,250,413

Nature of transaction	Joint Ventures		Subsidiary Companies		Enterprise controlled by Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Associates / Entities where company has significant influence		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Centrum Securities (Europe) Limited	-	-	532,879	532,879	-	-	-	-	-	-	-	-	532,879	532,879
Centrum Securities Private Limited	-	-	-	-	-	-	-	-	-	-	-	1,625,000	-	1,625,000
Centrum ESPS Trust	-	-	-	-	-	-	-	-	-	-	-	306,225,000	306,225,000	306,225,000
Centrum Capital Holdings - LLC	-	-	5,919,173	5,885,203	-	-	-	-	-	-	-	-	5,919,173	5,885,203
Total	-	-	469,034,667	442,155,307	-	-	-	-	-	-	-	307,850,000	775,259,667	750,005,307
Amount payable as at the June 30, 2014														
Rent Payable														
CentrumDirect Limited	-	-	608,868	-	-	-	-	-	-	-	-	-	608,868	-
Businessmatch Services (India) Private Limited	-	-	-	-	220,178	964,645	-	-	-	-	-	-	220,178	964,645
Total	-	-	608,868	-	220,178	964,645	-	-	-	-	-	-	829,046	964,645
Electricity expenses payable														
CentrumDirect Limited	-	-	115,394	-	-	-	-	-	-	-	-	-	115,394	-
Total	-	-	115,394	-	-	-	-	-	-	-	-	-	115,394	-
Interest Payable														
CentrumDirect Limited	-	-	17,797,561	12,112,675	-	-	-	-	-	-	-	-	17,797,561	12,112,675
Total	-	-	17,797,561	12,112,675	-	-	-	-	-	-	-	-	17,797,561	12,112,675
Commission & Brokerage Payable														
Centrum Wealth Management Ltd.	-	-	1,234,425	-	-	-	-	-	-	-	-	-	1,234,425	-
Total	-	-	1,234,425	-	-	-	-	-	-	-	-	-	1,234,425	-
Loan/Advances payable														
CentrumDirect Limited	-	-	564,046,638	153,665,181	-	-	-	-	-	-	-	-	564,046,638	153,665,181
Centrum Infrastructure & Realty Limited	-	-	8,654,275	-	-	-	-	-	-	-	-	-	8,654,275	-
Total	-	-	572,700,913	153,665,181	-	-	-	-	-	-	-	-	572,700,913	153,665,181
Corporate Guarantees given during the year														
Centrum Financial Services Limited	-	-	100,000,000	-	-	-	-	-	-	-	-	-	100,000,000	-
CentrumDirect Limited	-	-	10,000,000	-	-	-	-	-	-	-	-	-	10,000,000	-
Total	-	-	110,000,000	-	-	-	-	-	-	-	-	-	110,000,000	-

Nature of transaction	Joint Ventures		Subsidiary Companies		Enterprise controlled by Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Associates / Entities where company has significant influence		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Guarantees outstanding as on June 30, 2014														
Corporate Guarantee given														
Centrum Broking Limited	-	-	207,500,000	307,500,000	-	-	-	-	-	-	-	-	207,500,000	307,500,000
CentrumDirect Limited	-	-	670,000,000	660,000,000	-	-	-	-	-	-	-	-	670,000,000	660,000,000
Centrum Financial Services Limited	-	-	100,000,000	-	-	-	-	-	-	-	-	-	100,000,000	-
Total	-	-	977,500,000	967,500,000	-	-	-	-	-	-	-	-	977,500,000	967,500,000
Investments in Equity Shares as on June 30, 2014														
Centrum Infrastructure & Realty Limited	-	-	500,000	500,000	-	-	-	-	-	-	-	-	500,000	500,000
Centrum Wealth Management Limited	-	-	319,700,000	500,000	-	-	-	-	-	-	-	-	319,700,000	500,000
Centrum Financial Services Limited	-	-	90,500,000	90,500,000	-	-	-	-	-	-	-	-	90,500,000	90,500,000
Accounts Receivables Management Services (I) Limited	-	-	-	400,000	-	-	-	-	-	-	-	-	-	400,000
CentrumDirect Limited	-	-	1,433,486,490	1,133,471,490	-	-	-	-	-	-	-	-	1,433,486,490	1,133,471,490
Centrum Broking Limited	-	-	815,523,945	815,523,945	-	-	-	-	-	-	-	-	815,523,945	815,523,945
Commonwealth Centrum Advisors Limited	19,809,794	19,809,794	-	-	-	-	-	-	-	-	-	-	19,809,794	19,809,794
Centrum Securities Private Limited	-	-	-	-	-	-	-	-	-	-	1,000,000	1,000,000	1,000,000	1,000,000
Essel Centrum Holdings Limited	-	-	-	-	-	-	-	-	-	-	1,000,000	1,000,000	1,000,000	1,000,000
Centrum Capital Holdings LLC	-	-	19,428,125	19,428,125	-	-	-	-	-	-	-	-	19,428,125	19,428,125
Total	19,809,794	19,809,794	2,679,138,560	2,060,323,560	-	-	-	-	-	-	2,000,000	2,000,000	2,700,948,354	2,082,133,354

Notes forming part of the financial statements

25. Operating lease

- i) The Company has entered into cancellable leasing arrangements for corporate and branch offices and residential premises. The lease rentals of ₹ 46,913,171/- (previous year ₹ 2,250,358/-) have been included under the head Rent under Note 23 of Statement of Profit and Loss.
- ii) The Company has also entered into non-cancellable leasing arrangement for corporate office.

(₹)

Particulars	July 1, 2013 – June 30, 2014	July 1, 2012 – June 30, 2013
Lease rental paid*	65,082,501	112,748,243
	As at 30th June, 2014	As at 30th June, 2013
Future minimum lease payments are as under:		
Payment not later than one year	-	106,022,280
Payment later than one year but not later than five years	-	-
Payment later than 5 years	-	-

* Includes Rent amounting to ₹ 60,029,730/- (P.Y ₹ 50,457,013/-) which company has inturn recovered from its group companies.

General description of Company's significant leasing arrangement:

Corporate Office premises in Mumbai are obtained on operating lease. The lease rent payable is ₹ 85,84,800/- per month for the period July 1, 2013 to November, 2013. The lease rent was revised in December 2013 and consequently the lease rent payable is ₹ 90,14,040/- per month for the period December 01, 2013 to June 30, 2014.

The lease term is for a period of 4 years with a lock in period of 12 months and thereafter as per the mutual agreement between the lessor and the Company. There is an escalation clause in the lease agreement @ 5 % every year which will be reviewed mutually every year by the Company and the lessor hence effect of escalation is not taken in the above disclosure.

26. Interest in joint venture

The Company have 50% interest in Commonwealth Centrum Advisors Limited Accordingly, the following disclosures include Balance Sheet as well as Profit & Loss numbers of Commonwealth Centrum Advisors Limited.

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Assets	22,837,719	22,741,881
Liabilities	(22,837,719)	(22,741,881)
Revenue	7,222,374	10,572,474
Other expenses	(7,174,740)	(8,617,510)
Profit before tax	47,634	1,954,964

Notes forming part of the financial statements

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Tax expenses	(162,134)	(179,770)
Other comprehensive income (net of tax)	136,236	1,217,815
Profit after tax	21,736	2,993,009

27. (a) Contingent Liabilities not provided for

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Corporate Guarantees given by the company :		
- Subsidiary	977,500,000	967,500,000
Partly paid equity shares of Essel-Centrum Holdings Limited	4,000,000	4,000,000
Income Tax in respect of Assessment Year 2008-2009 in respect of which the Company has gone on appeal	848,030	848,030
Income Tax in respect of Assessment Year 2010-2011 in respect of which the Company has gone on appeal	11,310,700	11,310,700
Income Tax in respect of Assessment Year 2011-2012 in respect of which the Company has gone on appeal	8,326,840	NIL

(b) In view of assessment order received from income tax authorities demanding ₹ 2,696,060/- towards liability on account of disallowance under Section 14A of Income Tax Act, 1961 for assessment year 2008-2009, based on the facts / merits of the case under question, the Company has duly preferred an appeal and also paid Rs 1,348,030/- (i.e. 50% of the IT demand vide challan no 56091 dated 28/03/2011) and Rs 500,000/- (Paid on 07/09/2011) and no provision is considered necessary by the management of the Company.

(c) In view of assessment order received from income tax authorities demanding ₹ 11,310,700/- primarily on account of disallowance under Section 14A of Income Tax Act, 1961 for assessment year 2010-2011, based on the facts / merits of the case under question, the Company has duly preferred an appeal. Hence on the basis of facts of the case, no provision is considered necessary by the management of the Company.

(d) In view of assessment order received from income tax authorities demanding ₹ 8,326,840/- primarily on account of disallowance under Section 14A of Income Tax Act, 1961 for assessment year 2011-2012, based on the facts / merits of the case under question, the Company has duly preferred an appeal. Hence on the basis of facts of the case, no provision is considered necessary by the management of the Company.

28. Gratuity and Post employment benefit plans

Short Term Employee Benefits

Liability in respect of short term compensated absences is accounted for at undiscounted amount likely to be paid as per entitlement.

Notes forming part of the financial statements

Defined Contribution Plan

Retirement benefits in the nature of Provident Fund, Superannuation Scheme and others which are defined contribution schemes, are charged to the Statement of Profit and Loss of the year when contributions accrue.

Defined Benefit Plan

The liability for Gratuity, a defined benefit obligation, is accrued and provided for on the basis of actuarial valuation using the Projected Unit Credit method as at the Balance Sheet date

Other Long Term Benefits

Long term compensated absences are provided on the basis of an actuarial valuation using the Projected Unit Credit method as at the Balance Sheet date. Actuarial gains and losses comprising of experience adjustments and the effects of changes in actuarial assumptions are recognised in the Statement of Profit and Loss for the year as income or expense.

Disclosure Under AS - 15 (Revised 2005)

Company has adopted the Accounting Standard (AS - 15) (Revised 2005) "Employee Benefits" effective April 01, 2007.

- I. Defined Contribution Plans: The Company has classified the various benefits provided to employees as under:
 - a. Provident Fund
 - b. Employers' Contribution to Employees' State Insurance

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the Superannuation Fund is administered by the Trustee of the Life Insurance Corporation. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income Tax authorities.

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

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Employer's contribution to Provident Fund	6,003,812	7,360,468
Employer's contribution to Employees' State Insurance	8,443	13,944

II. Defined Benefit Plans

(a) Contribution to Gratuity Fund (Funded Scheme):

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

Notes forming part of the financial statements

Particulars	30 th June, 2014	30 th June, 2013
Discount rate (per annum)	8.90%	7.75%
Rate of increase in compensation levels (p.a)	5.00%	5.00%
Expected rate of return	8.70%	8.70%

(b) Changes in the present value of defined benefit obligation are as follows:

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Opening defined benefit obligation	11,056,509	7,627,991
Interest cost	856,879	648,379
Current service cost	1,296,122	1,461,918
Past service cost (non vested benefit)	-	-
Past service cost (vested benefit)	-	-
Settlement	-	-
Liability transfer in	-	-
Liability transfer out	-	-
Benefit paid	(1,593,151)	-1,438,459
Actuarial (gain)/loss on obligation	(1,172,073)	2,756,680
Closing defined benefit obligation	10,444,286	11,056,509

(c) Changes in the fair value of plan assets are as follows:

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Opening fair value of plan assets	6,826,157	7,518,314
Expected Return on Plan Assets	593,876	646,575
Contributions by employer	-	104,375
Benefit paid	(1,593,151)	(1,438,459)
Actuarial gain/(loss) on Plan Assets	(58,168)	(4,648)
Closing fair value of plan assets	5,768,714	6,826,157

(d) Disclosure as per Para 120 (n) of AS-15

(₹)

Particulars	Funded Scheme Gratuity				
	For the year ended 30 th June 2014	For the year ended 30 th June 2013	For the year ended 30 th June 2012	For the year ended 30 th June 2011	For the year ended 30 th June 2010
Defined benefit obligation	(10,444,286)	(11,056,509)	(7,627,991)	(6,882,664)	(4,238,758)
Plan assets	5,768,714	6,826,157	7,518,314	5,824,444	3,293,687
Surplus / (deficit)	(4,675,572)	(4,230,352)	(109,677)	(1,058,220)	(945,071)
Experience adjustments on plan liabilities	(511,414)	1,251,610	(362,679)	1,550,180	624,134
Experience adjustments on plan assets	(58,168)	(4,648)	49,880	43,033	202,737

Notes forming part of the financial statements

(e) Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets.

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Present Value of Funded Obligation as at end of the year	(10,444,286)	(11,056,509)
Fair Value of Plan Assets as at end of the year	5,768,714	6,826,157
Funded Liability/ (Asset) as at the Balance Sheet date	(4,675,572)	(4,230,352)

(f) Amount recognised in the Balance Sheet

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Liability at the end of the year	(10,444,286)	(11,056,509)
Fair Value of Plan Assets at the end of the year	5,768,714	6,826,157
Amount recognized in the Balance Sheet	(4,675,572)	(4,230,352)

(g) Expenses recognised in Statement of Profit and Loss

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Current service cost	1,296,122	1,461,918
Interest cost on benefit obligation	856,879	648,379
Expected return on plan assets	(593,876)	(646,575)
Past Service Cost(non vested Benefit) Recognised	-	-
Past Service Cost (vested Benefit) Recognised	-	-
Recognition of transition liability	-	-
Net actuarial (gain) / loss recognised in the year	(1,113,905)	2,761,328
Net benefit expense	445,220	4,225,050

(h) Actual Return on Plan Assets

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Expected Return on Plan Assets	593,876	646,575
Actuarial gains / (losses) on Plan Assets	58,168	4,648
Actual Return on Plan Assets	652,044	651,223

29. Derivative Instruments and Un-hedged Foreign Currency Exposure

- There were no contracts outstanding as at balance sheet date.
- Particulars of Unhedged Foreign Currency Exposure are detailed below at the exchange rate prevailing as at balance sheet date

Notes forming part of the financial statements

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Bank balance of Dubai Branch	803,894	1,589,459
	(AED 49,270.90 @ Closing rate of 1AED = ₹ 16.32)	(AED 97985.90 @ Closing rate of 1AED = ₹ 16.22)
Cash balance of Dubai Branch	96,979	54,421
	(AED 5,943.85 @ Closing rate of 1AED = ₹ 16.32)	(AED 3,354.90 @ Closing rate of 1AED = ₹ 16.22)
Loan & advances to related parties	5,919,173	5,885,203
	(USD 98,750 @ Closing rate of 1USD = ₹ 59.9410)	(USD 98,750 @ Closing rate of 1USD = ₹ 59.5970)
Trade Receivable	10,612,623	6,692,743
	(USD 177,053 @ Closing rate of 1USD = ₹ 59.9410)	(USD 112,300 @ Closing rate of 1USD = ₹ 59.5970)

30. Auditors' remuneration

(₹)

Particulars	30 th June, 2014	30 th June, 2013
For Statutory Audit	800,000	800,000
For Limited Review and Other Matters	464,923	312,035

31. Deferred Tax Asset / Liability

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

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

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Deferred tax liabilities:		
Difference between book and tax depreciation	-	880,132
On a/c of leasehold expenses claimed in IT	21,114,916	20,155,147
Total (A)	21,114,916	21,035,279
Deferred tax (assets):		
Difference between book and tax depreciation	(3,955,936)	-
Provision for Gratuity	(1,589,227)	(1,372,538)
Provision for leave encashment	(1,428,923)	(1,522,289)
On a/c of Depreciation on leasehold in Company	(14,559,979)	(12,058,883)
On a/c of Provision for Bad debts	(35,117,615)	(27,037,730)
On a/c of Provision for Doubtful advances	(1,019,700)	-
Total (B)	(57,671,380)	(41,991,440)
Net deferred tax liability / (assets) (A - B)	(36,556,464)	(20,956,161)

Notes forming part of the financial statements

32. (a) Earnings in foreign exchange (Accrual basis)

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Commission / Syndication fees	16,488,185	6,039,870
Branch Income	151,134,134	NIL
Total	167,622,319	6,039,870

(b) Expenditure in foreign currency (Accrual basis)

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Travelling	2,326,308	748,504
Professional Fees	3,658,852	559,550
Commission and Brokerage	NIL	235,645
Branch Expenses	16,834,328	20,899,910
Total	22,819,488	22,443,609

33. Earnings Per Share

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Profit after taxes (net of prior period items) after Exceptional Items attributable to equity Shareholders (In ₹)	114,051,890	137,136,914
Weighted average number of equity shares issued and outstanding:		
Weighted average number of equity shares at the end of the Year before share split and bonus issue (Face Value ₹ 10/-)	-	6,933,879
Weighted average number of equity shares after considering Shares Split (Face Value ₹ 1/-)	-	69,338,790
Weighted average number of equity shares on account of Bonus issue (Face Value ₹ 1/-)	-	346,693,950
Weighted average number of equity shares outstanding after considering Shares split and Bonus Issue (Face Value ₹ 1/-)	416,032,740	416,032,740
Basic and Diluted Earnings Per Share before Extraordinary Items (In ₹)	0.27	0.33
Basic and Diluted Earnings Per Share after Extraordinary Items (In ₹)	0.27	0.33
Nominal Value of Equity Shares (In ₹)	1/-	1/-

Notes forming part of the financial statements

34. During the previous year, the Company had held Extraordinary general meeting on June 13, 2013, wherein members have approved increase in authorized capital from ₹ 100,000,000 (Rupees Ten Crores) divided into 1,00,00,000 equity shares of ₹ 10/- each to ₹ 420,000,000 (Rupees Forty Two Crores) divided into 4,20,00,000 equity shares of ₹ 10 each.

Members have also approved sub division of Equity shares of Face Value of ₹ 10/- each into Equity shares of ₹ 1/- each and Issue of Bonus Equity Shares in the ratio of 5:1 after subdivision of shares. The subdivision was effective and simultaneous with the allotment of Bonus shares by the Board or as per the advice of the Stock Exchange. BSE has issued a notice vide Notice Number 20130619-23 dated June 19, 2013 informing the Trading Members that record date for sub division and bonus issue will be on July 04, 2013.

Consequent upon which, subsequent to balance sheet date the Company has sub divided equity share of ₹10 /- each to 10 shares of ₹ 1/- each. Further vide board resolution dated July 08, 2013, Company has allotted Bonus Shares in the proportion of 5 (Five) Equity Share of ₹ 1/- each for every 1 (One) Equity Share of ₹ 1/- each by capitalizing ₹ 346,693,950/- out of its Securities Premium Account.

The Capital Structure giving effect to the above will be as follows.

(₹)	
Particulars	Amount (₹)
SHARE CAPITAL	
AUTHORISED 420,000,000 Equity shares of ₹ 1/-each	420,000,000
TOTAL	420,000,000
ISSUED 416,032,740 Equity shares of ₹1/- each	416,032,740
SUBSCRIBED & FULLY PAID UP 416,032,740 Equity shares of ₹1/- each	416,032,740
TOTAL	416,032,740

35. During the previous year, BrihanMumbai Municipal Corporation (BMC) had made downward revision in property tax rate with retrospective effect from April 2010 and company being a beneficiary had recognized the refund of ₹ 27,442,679/- against the property taxes paid for period April 2010 to March 2012 and reversal of ₹ 2,762,780/- for excess property tax provided for period April 2012 to June 2012. The Company had recognized the same as income amounting to ₹ 30,205,459/- as shown in Statement of Profit and loss under the head exceptional items.

Notes forming part of the financial statements

- 36.** During the year, the company has repaid ₹ 240,000,000/- out of the loan of ₹ 620,000,000/- availed from its than JV partner, for the purpose of buying out the stake of its JV partner in CentrumDirect Limited. In light of the above both parties have reached an in-principle understanding that interest on the said loan will not be payable with effect from April 01, 2013.
- 37.** The Company has a process of identification of 'suppliers' registered under the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006, by obtaining confirmations from all suppliers. The Company has not received intimation from all the 'suppliers' regarding their status under MSMED Act, 2006 and hence disclosures if any, relating to amounts unpaid as at the year end together with interest paid/payable as required have not been furnished.
- 38.** Trade Receivables are subject to confirmations, reconciliations and adjustments, if any, arising there from.
- 39.** The Company has long outstanding trade receivable amounting to ₹ 45,832,632/-(P.Y. ₹ 45,832,632/-).Based on recent trends in collection and status of ongoing lawsuit; the above amount, in view of the management, is fully recoverable and accordingly the same need not be subject to any provisioning.
- 40.** a) Based on the audited financial statements of Centrum Broking Limited ('CBL' - audited by a firm of Chartered Accountants other than Haribhakti & Co. LLP) for year ended June 30, 2014, it has incurred losses of ₹ 28,635,539/- (P.Y ₹ 44,948,659 /-). Accordingly, on the basis of financial estimates provided by the management of CBL confirming fair valuation higher than the cost of Investments in CBL in the books of the Company and which is duly approved by the Audit Committee of the Board of Directors of the Company, the management of the Company believes that no impairment is necessitated in respect of said Investments.
- b) Based on the audited financial statements of Centrum Capital Holdings LLC ('CCHLLC' - audited by a firm of Chartered Accountants other than Haribhakti & Co. LLP) for year ended June 30, 2014, it has incurred losses of ₹ 28,066/- (P.Y ₹ 132,692/-). Accordingly, on the basis of financial estimates provided by the management of CCHLLC confirming fair valuation higher than the cost of Investments in CCHLLC in the books of the Company and which is duly approved by the Audit Committee of the Board of Directors of the Company, the management of the Company believes that no impairment is necessitated in respect of said Investments.
- c) Based on the audited financial statements of Centrum Wealth Management Limited ('CWML' - audited by a firm of Chartered Accountants other than Haribhakti & Co. LLP) for year ended June 30, 2014, it has incurred losses of ₹ 59,945,030/- (P.Y ₹ 42,126,272 /-). Accordingly, on the basis of financial estimates provided by the management of CWML confirming fair valuation higher than the cost of Investments in CWML in the books of the Company and which is duly approved by the Audit Committee of the Board of Directors of the Company, the management of the Company believes that no impairment is necessitated in respect of said Investments.

Notes forming part of the financial statements

41. During the year, the Company has paid in full, service tax dues under the Service Tax Voluntary Compliance Encouragement Scheme (VCES), towards short payment of service tax for the period April 2012 to December 2012 amounting to ₹ 74,557,031/- wherein the above service tax liability can be paid in future years without any Interest and penalty thereon.

42. During the year, the company has sold its investments of ₹ 400,000/- in Accounts Receivables Management Services (India) Limited (ARMS) at book value. Consequent upon which, ARMS is no longer a subsidiary of the company as on the balance sheet date.

43. Prior Year Comparatives

The Figures for the previous year have been regrouped/ rearranged wherever necessary to conform to current year's classification.

As per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No.103523W

For and on behalf of Board of Directors
Centrum Capital Limited

sd/-
Sumant Sakhardande
Partner
Membership No.034828

sd/-
P.R. Kalyanaraman
Managing Director
DIN : 01993027

sd/-
Chandir Gidwani
Non Executive Chairman
DIN : 00011916

Place : Mumbai
Date : 28th August, 2014

sd/-
Alpesh Shah
Company Secretary

Auditors' Report on Consolidated Financial Statements

ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CENTRUM CAPITAL LIMITED

To the Board of Directors of Centrum Capital Limited

We have audited the accompanying consolidated financial statements of Centrum Capital Limited (“the Company”) and its subsidiaries and joint ventures (collectively referred to as “the Group”) which comprise the Consolidated Balance Sheet as at June 30, 2014, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements on the basis of separate financial statements and other financial information regarding components that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards (AS) 21, “Consolidated financial statements” and Accounting Standard (AS) 27 “Financial Reporting of Interests in Joint Ventures” as notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate financial statements of Centrum Capital Limited, its subsidiaries and joint ventures.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and joint ventures as mentioned in the 'Other Matter' paragraph below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at June 30, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 44 of Notes to the Consolidated Financial Statements, regarding long outstanding trade receivable amounting to ₹ 4,58,32,632 (P.Y: ₹ 4,58,32,632), are subject to realization and upon which we are unable to comment on. The ultimate shortfall, if any, on realization / on account of non realization of such trade receivable, therefore cannot be quantified. Our opinion is not qualified in respect of this matter

Other Matter

We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of ₹ 1,488,904,060 as at June 30, 2014, total revenues of ₹ 480,141,483 and net cash inflow amounting to ₹ 32,356,885 for the year then ended. We also did not audit the financial statements of one joint venture, whose financial statements reflect total assets of ₹ 22,837,719 as at June 30, 2014, total revenues of ₹ 8,147,741 (to the extent of the Company's share in the said joint venture) and net cash inflow amounting to ₹ 30,950,049 for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W

sd/-

Sumant Sakhardande

Partner

Membership No. 034828

Place : Mumbai

Date : 28th August, 2014

Consolidated Balance Sheet as at 30th June, 2014

(₹)			
Particulars	Note	30 th June, 2014	30 th June, 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	5	416,032,740	69,338,790
Reserves and surplus	6	2,150,383,706	2,259,871,241
		2,566,416,446	2,329,210,031
Minority Interest	31	10,995,421	9,186,237
Non-current liabilities			
Long-term borrowings	7a	729,339,114	37,233,209
Other non current liabilities	7b	9,202,135	-
Long-term provisions	8	20,222,310	19,089,618
		758,763,559	56,322,827
Current liabilities			
Short-term borrowings	9	1,401,060,472	1,823,234,802
Trade Payables	10	725,658,096	510,509,904
Other current liabilities	11	696,441,256	625,707,667
Short-term provisions	12	8,438,781	9,675,020
		2,831,598,605	2,969,127,393
TOTAL		6,167,774,031	5,363,846,488
ASSETS			
Non-current assets			
Fixed assets	13		
Tangible assets	13	200,406,774	224,958,838
Intangible assets		31,349,071	34,062,379
		231,755,845	259,021,217
Goodwill on consolidation		812,884,926	812,884,926
Non-current investments	14	95,491,856	95,491,856
Deferred tax assets (net)	35	301,801,966	248,306,699
Long-term loans and advances	15a	953,025,159	918,321,091
Other non current assets	15b	29,310,975	-
		2,424,270,727	2,334,025,789
Current assets			
Current investments	16	33,924,808	31,684,196
Inventories	17	28,966,903	74,455,969
Trade receivables	18	1,530,900,051	1,008,103,407
Cash and Bank Balances	19	629,019,539	605,033,369
Short-term loans and advances	20	1,221,159,346	959,862,627
Other current assets	21	299,532,657	350,681,130
		3,743,503,304	3,029,820,698
TOTAL		6,167,774,031	5,363,846,488

The accompanying notes 1 to 47 are an integral part of the Financial Statements.

As per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No.103523W
sd/-
Sumant Sakhardande
Partner
Membership No.034828

For and on behalf of Board of Directors
Centrum Capital Limited
sd/-
P.R. Kalyanaraman
Managing Director
DIN : 01993027

sd/-
Chandir Gidwani
Non Executive Chairman
DIN : 00011916
sd/-
Alpesh Shah
Company Secretary

Place : Mumbai
Date : 28th August, 2014

Consolidated Statement of Profit and Loss

for the year ended 30th June, 2014

(₹)

Particulars	Note	30 th June, 2014	30 th June, 2013
Revenue			
Revenue from Operations	22	34,844,458,659	28,259,149,364
Other Income	23	146,456,598	173,561,325
Total Revenue		34,990,915,257	28,432,710,689
Expenses			
Cost of Forex Sold		32,914,268,377	26,721,290,558
Share in Cost of Forex sold in Joint ventures		-	-
Employee benefits expense	24	655,679,450	645,138,705
Finance Costs	25	253,666,661	287,058,126
Depreciation/amortization	13	53,312,063	63,131,426
Other expenses	26	818,434,964	664,993,217
Total Expenses		34,695,361,515	28,381,612,032
Profit before exceptional items and tax		295,553,742	51,098,657
Exceptional items (Refer Note 39)		18,549,042	49,944,075
Profit / (Loss) before tax		314,102,784	101,042,732
<u>Tax Expenses</u>			
- Current tax		164,332,815	54,304,132
- MAT		-	35,985,191
- MAT entitlement for earlier years		(46,496,906)	-
- Deferred tax		(53,507,131)	(134,894,897)
Total Tax Expenses		64,328,778	(44,605,574)
Profit after tax & before prior period adjustments, share in loss of associates & minority interest		249,774,006	145,648,306
Extraordinary item		-	-
Profit on disposal of investment in subsidiary		306,650	-
Profit after tax & before prior period adjustments, share in loss of associates & minority interest		250,080,656	145,648,306
Prior period adjustments		-	-
Profit after tax, and before share in associates loss, minority interest		250,080,656	145,648,306
Share in Loss of associates (Refer Note 42)		-	-
Minority interest		96,775	2,189,855
Profit / (Loss) for the year		249,983,881	143,458,451
Basic & Diluted earnings per share before Extra ordinary items (Refer Note 37) (Nominal Value of Shares ₹ 1 [Previous Year : ₹ 1]) (Refer Note 38)		0.60	0.35
Basic & Diluted earnings per share after Extra ordinary items (Refer Note 37) (Nominal Value of Shares ₹ 1 [Previous Year : ₹ 1]) (Refer Note 38)		0.60	0.35

The accompanying notes 1 to 47 are an integral part of the Financial Statements.

As per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No.103523W
sd/-
Sumant Sakhardande
Partner
Membership No.034828

For and on behalf of Board of Directors
Centrum Capital Limited
sd/-
P.R. Kalyanaraman
Managing Director
DIN : 01993027

sd/-
Chandir Gidwani
Non Executive Chairman
DIN : 00011916
sd/-
Alpesh Shah
Company Secretary

Place : Mumbai
Date : 28th August, 2014

Consolidated Cash Flow Statement for the year ended 30th June, 2014

(₹)

Particulars	30 th June, 2014		30 th June, 2013	
Cash Flow from Operating Activities:				
Net Profit before taxation		314,102,784		101,042,732
Adjustments for:				
Depreciation and amortisation Expense	53,312,063		63,131,426	
Loss on sale of fixed assets	408,963		23,727,480	
Sundry balances written off	31,943		216,528	
Securities Premium utilised for NCD & Bonus related expenses	(3,013,241)		-	
Gain on Sale of Non Current Investments	-		(22,954,550)	
Impairment of Investments	-		2,470,362	
Interest Income	(225,132,784)		(184,644,905)	
Dividend Income from Non Current Investments	(427,776)		(2,584,457)	
Dividend Income from Current Investments	(2,254,612)		-	
Bad Debts written off	-		386,031	
Provision for doubtful debts	24,813,537		45,324,711	
Provision for Wealth Tax	160,000		160,000	
Finance Costs (Excl. Bank Charges)	242,272,500		275,337,796	
Sundry balances written back	(3,304,756)		(4,088,233)	
Foreign exchange Loss (net)	1,981,112	88,846,948	(2,234,959)	194,247,230
Operating profit before working capital changes		402,949,732		295,289,962
Adjustments for :				
Trade Receivables	(547,610,181)		(93,258,381)	
Inventories	45,489,066		(74,319,789)	
Loans and Advances & Other Current Assets	(229,926,886)		(51,659,539)	
Trade Payable	215,148,192		138,411,399	
Other Liabilities and Provisions	112,519,076	(404,380,731)	108,906,410	28,080,100
Cash Generated from operations		(1,430,999)		323,370,062
Direct taxes paid (including tax deducted at source)		(135,280,449)		(91,545,492)
Net Cash generated from Operating Activities		(136,711,448)		231,824,570
Cash Flow from Investing Activities:				
Purchase of Fixed Assets	(27,210,452)		(14,259,913)	
Sale of Fixed Assets	754,798		17,630,000	
Investment of Fixed Deposits	-		(83,198,200)	
Redemption of Fixed Deposits	6,032,104		-	
Sale of Non Current Investments	-		4,500,000	
Sale of current Investments	-		527,954,650	
Purchase of Current Investments	(2,240,612)		(507,002,143)	
Repayment of Non Current Loans and advances & Non Current Assets	(48,368,700)		(21,809,847)	
Interest received	244,911,424		120,534,814	
Dividend Income from Non Current Investments received	427,776		2,584,457	
Dividend Income from Current Investments received	2,254,612		-	
Net Cash generated from Investing Activities		176,560,950		46,933,818

(₹)

Particulars	30 th June, 2014		30 th June, 2013	
Cash Flows from Financing Activities:				
Repayment of Long-Term Borrowings (Net)	-		(2,881,145)	
Proceeds from Long-Term Borrowings (Net)	692,105,902		-	
Repayment of Short-Term Borrowings (Net)	(422,174,330)		(35,088,712)	
Interest paid	(279,762,800)		(205,630,165)	
Net cash used in financial activity		(9,831,228)		(243,600,022)
Net Increase in cash and cash equivalents		30,018,274		35,158,366
AS AT THE BEGINNING OF THE YEAR (Refer Note 19)				
Cash in Hand including foreign currencies	202,216,035		175,087,118	
Balance with Scheduled Banks-Current Accounts	276,269,441		268,234,913	
Balance with other Banks-Current Accounts	91,138		96,217	
Opening Cash and Cash Equivalents		478,576,614		443,418,248
AS AT THE END OF THE YEAR (Refer Note 19)				
Cash in Hand including foreign currencies	242,861,550		202,216,035	
Balance with Scheduled Banks-Current Accounts	265,651,514		276,269,441	
Balance with other Banks-Current Accounts	81,824		91,138	
Closing Cash and Cash Equivalents		508,594,888		478,576,614
Short term bank deposits		120,424,650		126,456,754
Closing Cash and Cash Balances		629,019,539		605,033,369

The above cash flow statements have been prepared under the indirect method set out in Accounting Standard (AS)-3, 'Cash Flow Statement' notified pursuant to the Companies (Accounting Standards) Rules, 2006 .

- 1) All figures in brackets are cash outflow.
- 2) Cash and cash equivalents include unpaid dividend amounting to ₹ 81,824/- (P.Y. ₹ 91138/-)
- 3) Direct Tax paid is treated as arising from operating activities and are not bifurcated between investment and financing activities

As per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No.103523W

sd/-
Sumant Sakhardande
Partner
Membership No.034828

For and on behalf of Board of Directors
Centrum Capital Limited

sd/-
P.R. Kalyanaraman
Managing Director
DIN : 01993027

sd/-
Chandir Gidwani
Non Executive Chairman
DIN : 00011916

Place : Mumbai
Date : 28th August, 2014

sd/-
Alpesh Shah
Company Secretary

Consolidated Notes forming part of the financial statements

1. Basis of preparation

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 “Consolidated Financial Statements”, Accounting Standard 23 “Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard 27 “Financial Reporting of Interest in Joint Ventures” notified in the Companies (Accounting Standards) Rules, 2006. The Consolidated Financial Statements comprises the financial statements of Centrum Capital Limited (CCL) (Holding Company), its subsidiaries being CentrumDirect Limited (including Club 7 Holidays Limited), Centrum Broking Limited (CBL), Centrum Infrastructure & Realty Limited (CIRL), Centrum Financial Services Limited (CFSL), Centrum Wealth Management Limited (CWML), Centrum Capital Holdings LLC (CCH LLC) (including Centrum Securities LLC), its joint venture being Commonwealth Centrum Advisors Limited (CCAL), and its associates being Centrum Securities Private Limited (CSPL) and Essel Centrum Holding Limited (ECHL) here in after collectively referred as “the Group/the Company”.

The Consolidated Financial Statements has been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The notes and significant accounting policies to the Consolidated Financial Statements are intended to serve as a guide for better understanding of the Company’s position. In this respect, the Holding Company has disclosed such notes which represent the required disclosure.

2. Principles of consolidation

- a. The Consolidated Financial Statements of Centrum Capital Limited and its subsidiaries are combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Intra company balances, intra company transactions and unrealized profits / losses have been fully eliminated.
- b. Interests in joint ventures are accounted by using proportionate consolidation method.
- c. Interest in associates are accounted by using equity method.
- d. The subsidiary companies, joint ventures and associates considered in the presentation of the Consolidated Financial Statements are :

Particulars	Country of Incorporation	Proportion of ownership / interest as at 30 th June, 2014	Proportion of ownership / interest as at 30 th June, 2013	Financial years ends on*
a) Subsidiaries				
Centrum Infrastructure and Realty Limited	India	100%	100%	30 th June, 2014
Centrum Financial Services Limited	India	100%	100%	30 th June, 2014
Centrum Wealth Management Limited (Formerly Centrum Investments Limited)	India	100%	100%	30 th June, 2014

Consolidated Notes forming part of the financial statements

Centrum Capital Holdings LLC	USA	100%	100%	30 th June, 2014
CentrumDirect Limited (Formerly known as FCH CentrumDirect Limited)	India	100%	100%	30 th June, 2014
Centrum Broking Limited(formerly known as Centrum Broking Private Limited)	India	99.26%	99.26%	30 th June, 2014
b) Joint Ventures				
Commonwealth Centrum Advisors Limited	Hong Kong	50%	50%	31 st December, 2013*
c) Associates				
Centrum Securities Private Limited	India	47.62%	47.62%	31 st March, 2014*
Essel-Centrum Holdings Limited	India	33.33%	33.33%	30 th June, 2014

*for the purpose of consolidation, accounts are drawn up to June 30, 2014.

For the purpose of Consolidated Financial Statements, the results of CCL and its subsidiaries for the year ended June 30, 2014 have been derived from the respective company's audited financials of the year ended June 30, 2014.

3. Goodwill / Capital Reserve on consolidation

The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

4. Statement of Significant Accounting Policies

a. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for

Consolidated Notes forming part of the financial statements

its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

c. Depreciation

Depreciation on fixed assets is provided on straight line basis at the rates based on estimated useful life of the asset which is envisaged by schedule XIV of the Companies Act, 1956, except for leasehold improvements. Leasehold improvements are amortized over a period of lease or useful life whichever is less.

Individual asset costing ₹ 5,000 or less are fully depreciated in the year of purchase.

Particulars	Schedule XIV Rates (SLM)
Building	1.63%
Computer Hardware	16.21%
Air Conditioners and Office equipments	4.75%
Vehicles	9.50%
Furnitures and Fixtures	6.33%

d. Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life

e. Intangible Assets

Goodwill

Goodwill is amortized using the straight-line method over a period of ten years.

Computer Softwares

The Company capitalizes software and related implementation cost where it is reasonably estimated that the software has an enduring useful life. Software's including operating system licenses are amortized over their estimated useful life of 6 - 9 years.

f. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

Consolidated Notes forming part of the financial statements

g. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

h. Inventories

Inventories are valued as lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business.

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(i) Syndication fees

Syndication fees and brokerage income are accounted on achievements of the milestones as per the mandates / agreements with the clients, where there are no mandates / agreements, as per the terms confirmed and agreed by clients. Non refundable upfront fees are accounted as income on receipt. In the event of project stipulates performance measures, revenue is considered earned when such performance measure have been completed.

(ii) Income from trading in bonds

Income from trading in bonds is accounted when the risk and rewards of ownership of the bonds are passed to the customer, which is generally on sale of bonds.

(iii) Interest income

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iv) Revenue from services

Consultancy fees / referral fees and brokerage and commission incomes are accounted on accrual basis.

(v) Revenue on foreign exchange

Revenue on foreign exchange business is recognized as and when the disbursement of money is made to beneficiary.

(vi) Income from Inward money transfer

Commission from money transfer business is recognised as and when the disbursement of money is made to beneficiary.

Consolidated Notes forming part of the financial statements

(vii) Revenue on Tour Income

Profit/ Loss in respect of tours is recognized when the tour is completed

(viii) Income from Commission & Brokerage

Commission income is accounted on accrual basis.

Revenue from Brokerage activities is accounted for on the trade date of transaction.

(ix) Income from Portfolio Management Services(PMS)

Income from Portfolio Management Services (PMS) is accounted for as per the terms of the contract.

(x) Incentives

Incentives on prepaid travel cards and travelers cheques are recognised on the basis of the business transacted during the year as confirmed by the party.

(xi) Dividend

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

(xii) Profit / Loss on sale of investments

Profit or loss on investments is determined on the basis of the weighted average cost method.

j. Foreign currency transactions

i. Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

iii. Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they

Consolidated Notes forming part of the financial statements

arise. Exchange differences arising in respect of fixed assets acquired from outside India on or before accounting period commencing after December 7, 2006 are capitalized as a part of fixed asset.

k. Retirement and other employee benefits

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

- (i) Under Payment of Gratuity Act, 1972 'Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year'. The Company makes contribution to a scheme administered by the Life Insurance Corporation of India ("LIC") to discharge the gratuity liability to employees. The Company records its gratuity liability based on an actuarial valuation made by an independent actuary as at year end. Contribution made to the LIC fund and provision made for the funded amounts are expensed in the books of accounts.
- (ii) Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit Method.
- (iii) All actuarial gains / losses are immediately taken to the Profit and Loss account and are not deferred.

l. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Consolidated Notes forming part of the financial statements

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised as an asset (MAT Credit Entitlement) only if there is convincing evidence for realisation of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

m. Segment Reporting Policies

Identification of segments :

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

n. Earnings Per Share

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

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

Consolidated Notes forming part of the financial statements

o. Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

p. Cash and Bank Balances

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

q. Borrowing costs

Borrowing costs are recognized as an expense in the period in which these are incurred.

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
NOTE 5 : SHARE CAPITAL		
AUTHORISED:		
420,000,000 (Previous year 10,000,000) equity shares of ₹ 1/- each (Refer Note.38)	420,000,000	100,000,000
TOTAL	420,000,000	100,000,000
ISSUED:		
416,032,740 Equity Shares (Previous year: 6,933,879) of ₹ 1/- each fully paid up	416,032,740	69,338,790
SUBSCRIBED & FULLY PAID UP:		
416,032,740 Equity Shares (Previous year: 6,933,879) of ₹ 1/- each fully paid up(Refer note 38)	416,032,740	69,338,790
	416,032,740	69,338,790
Equity Shares		
The company has one class of equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. (Refer Note.38)		

Consolidated Notes forming part of the financial statements

Reconciliation of Number of Shares Outstanding:

(₹)

	As at 30 th June, 2014		As at 30 th June, 2013	
	No of Shares	Amount	No of Shares	Amount
Number of shares Outstanding at beginning of the year	6,933,879	69,338,790	6,933,879	69,338,790
Add: Shares issued during the year	409,098,861	346,693,950	-	-
Number of shares Outstanding at the end of the year (Refer Note. 38)	416,032,740	416,032,740	6,933,879	69,338,790

Share holder having more than 5% equity share holding in the Company

(₹)

Share Holder	As at 30 th June, 2014		As at 30 th June, 2013	
	No of Shares	(% of Holdings)	No of Shares	(% of Holdings)
Businessmatch Services (India) Private Limited	138,189,000	33.22	2,303,150	33.22
Indivision India Partners	61,209,480	14.71	1,020,158	14.71
Kaikobad Byramjee & Sons Agency Pvt Ltd.	54,018,000	12.98	900,300	12.98
M. Dinshaw & Co. Pvt. Ltd.	54,000,000	12.98	900,000	12.98
Rinita Impex Pvt. Ltd.	51,291,600	12.33	854,860	12.33
Centrum ESPS Trust	24,581,160	5.91	409,686	5.91
	383,289,240	92.13	6,388,154	92.13

Share allotted as fully paid up pursuant to contract(s) without payment being received in cash(during 5 years immediately preceding June 30, 2014).

During the year, Company has allotted Bonus Shares in the proportion of 5 (Five) Equity Share of ₹ 1/- each for every 1 (One) Equity Share of ₹ 1/- each by capitalizing ₹ 346,693,950/- out of its Securities Premium Account. In the year ended June 30, 2012, 105,783 equity shares were allotted to Capital First Limited (formerly known as Future Capital Holdings Limited) for consideration other than cash pursuant to Share Transfer agreement dated March 29, 2011.

Consolidated Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
NOTE 6 : RESERVES & SURPLUS		
Capital Reserve (Gift of 525,000 equity shares of Rap Media Limited)		
Balances at the beginning and at the end of the year	1	1
	1	1
Capital Reserve on consolidation		
Opening balance	478,682,856	483,778,620
Less : Adjustment during the year	108,086	-
Add/(Less) : Foreign Exchange reserve	9,252,850	(5,095,764)
Balance as at end of the year	487,827,620	478,682,856
Securities Premium Account		
Opening balance	1,845,658,868	1,845,658,868
Less : Securities Premium on account of Bonus issue	346,693,950	-
Less : Securities Premium utilised for adjusting premium on redemption of NCD's	9,202,135	-
Less : Securities Premium Utilised for NCD's and Bonus related expenses	3,013,241	-
Balance as at end of the year	1,486,749,542	1,845,658,868
Debenture Redemption Reserve		
Opening Balance	-	-
Add: Additions during the year	157,850,000	-
Balance as at end of the year	157,850,000	-
General Reserve		
Balances at the beginning and at the end of the year	2,770,000	2,770,000
	2,770,000	2,770,000
Surplus in Statement of Profit & Loss		
Balance as per last account	(67,240,484)	(214,851,340)
Less : Transferred to Debenture Redemption Reserves	157,850,000	-
Add : Profit for the year	249,983,883	143,459,068
Add/(Less) : Adjustments during the year	(9,706,856)	4,151,788
Balance as at end of the year	15,186,543	(67,240,484)
TOTAL	2,150,383,706	2,259,871,241

Consolidated Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
NOTE 7a : LONG TERM BORROWINGS		
Secured Loans		
Term Loans		
Working Capital Term Loan (Vehicle loans are secured against hypothecation of vehicles purchased there against) (These are repayable in equated periodic installments upto a 3 years period from the date of respective loans. These are repayable by 2017-18 and carry an interest of 5.25% p.a to 11.75% pa) Term loan from Bank is repayable in ten quarterly repayment of Rs. 5 Min each starting after 6 months moratorium(i.e. first instalment to be recovered in 3rd quarter from the date of disbursement)	40,000,000	-
From Bank (Vehicle loans are secured against hypothecation of vehicles purchased there against) (These are repayable in equated periodic installments upto a 3 years period from the date of respective loans. These are repayable by 2017-18 and carry an interest of 5.25% p.a to 11.75% pa)	4,689,114	3,383,209
Non-Convertible Debentures	631,400,000	-
	676,089,114	3,383,209
Unsecured Loans		
Intercompany Deposits	53,150,000	33,650,000
Other Long Term Deposits	100,000	200,000
	53,250,000	33,850,000
TOTAL	729,339,114	37,233,209
Note 7b : OTHER NON CURRENT LIABILITIES		
Premium on Redemption of Debentures	9,202,135	-
TOTAL	9,202,135	-
NOTE 8 : LONG TERM PROVISIONS		
Provision for Gratuity	6,740,463	5,245,917
Provision for Compensated Absences	13,481,847	13,843,701
TOTAL	20,222,310	19,089,618

Consolidated Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
NOTE 9 : SHORT TERM BORROWINGS		
<u>Secured Loans</u>		
Loans From Banks		
City Union Bank Limited (Secured by corporate guarantee and hypothecation of assets [proportionate] of Businessmatch Services (I) Pvt. Ltd.)	100,000,000	150,000,000
Bank of Baroda (Secured by pledge of bonds)	182,766	52,407,283
The Federal Bank Limited (Secured by pledge of bonds)	-	12,286,994
Standard Chartered Bank (Secured by hypothecation of sundry debtors)	-	6,523,231
Cash Credit from HDFC Bank Limited (Secured against first pari pasu charge by way of hypothecation of Companies current assets along with Axis bank and mutual fund and collateral by way of pledge of shares of some directors / promoters and their family and corporate guarantee of Holding Company i.e. Centrum Capital Limited)	128,794,518	78,902,098
Cash Credit from Axis Bank Limited (Secured against first pari passu charge by way of hypothecation of Company's entire current assets and corporate guarantee of Centrum Capital Limited)	244,037,594	341,220,201
Over Draft Loan from Bank of India	17,691,138	18,045,538
Cash Credit from Bank Of India (The loans as mentioned above from Bank of India are secured against pledge of term deposit of Rs. 170 lacs and interest their on till date as a principal security and Equitable Mortgage of Flat in the name of Club7 Holidays Ltd.at Kolkata & Navarangpur Equitable mortgage of flat in the name of directors at Kolkata, as collateral security)	22,262,948	9,281,210
Loans from Others		
Future Retail Limited (Secured by pledge of 29,52,217 equity shares of CentrumDirect Limited)	380,000,000	620,000,000
Reliance Capital Ltd. (ICD) (Secured by pledge of shares by Businessmatch Services (I) Pvt. Ltd.)	50,000,000	100,000,000
ECL Finance Limited (Secured against Clients Collateral)	41,025,001	18,218,001
Aditya Birla Finance Limited (Secured against Clients Collateral)	29,100,000	15,750,000
Kotak Mahindra Investment Limited (Secured against Clients Collateral)	48,800,000	-
Morgan Stanley I Pvt Ltd. (Secured against Clients Collateral)	-	57,040,000
	1,061,893,965	1,429,674,556

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Unsecured Loans		
Loans Repayable on Demand From Banks		
The Federal Bank Limited	-	4,182,808
	-	4,182,808
Loans & Advances from Related parties		
Businessmatch Services (I) Pvt Ltd. [(Maximum amount outstanding during the year ₹ 237,300,000/- (Previous year ₹ 421,000,000/-)]	11,550,000	-
	11,550,000	-
Intercorporate Deposits	327,616,507	389,377,438
	327,616,507	389,377,438
TOTAL	1,401,060,472	1,823,234,802
Note 10 : Trade Payables		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	725,658,096	510,509,904
	725,658,096	510,509,904
NOTE 11 : Other Current Liabilities		
Current maturities of Long term Borrowings	12,467,603	3,016,899
Interest accrued but not due	105,551,603	143,041,903
Compensation Payable	2,563,273	-
Unpaid Dividend	81,825	103,459
Provision for Tax (Net of Advance Tax ₹ 203,002,181/-[Previous year ₹ 98,913,785])	56,329,313	24,772,663
Other Payables		
For Expenses	58,701,893	236,738,552
Other Statutory Dues Payable	50,240,482	107,513,241
Book overdraft from Banks	8,600,973	22,907,614
Deposits	3,971,481	3,969,000
Advance from customers	158,633,426	48,224,423
Others	238,566,288	34,760,919
Share in Other Current Liabilities of joint Venture	733,096	658,994
TOTAL	696,441,256	625,707,667

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
NOTE 12 : Short Term Provisions		
Provision for Employee Benefits		
Gratuity	3,969,223	5,577,013
Compensated Absences	3,329,219	3,117,667
Provision for wealth tax	1,140,339	980,340
(Net of advance tax - ₹ 4,95,200 [Previous Year - ₹ 4,95,200])		
TOTAL	8,438,781	9,675,020

Consolidated Notes forming part of the financial statements

(₹)

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 1 st July, 2013	Additions	Deductions	As at 30 th June, 2014	Upto 1 st July, 2013	For the year	Deductions	Upto 30 th June, 2014	As at 30 th June, 2014	As at 30 th June, 2013
Tangible Assets										
Leasehold Development	254,229,858	1,283,401	-	255,513,259	162,102,998	24,877,109	-	186,980,107	68,533,152	92,126,860
Building	4,658,342	-	-	4,658,342	807,291	75,930	-	883,221	3,775,121	3,851,051
Plant & Equipment	23,601,042	39,189	-	23,640,231	23,601,042	2,449	-	23,603,491	36,740	-
Furniture & Fixtures	58,047,970	13,006,679	92,442	70,962,207	25,178,060	4,413,248	16,040	29,575,268	41,386,938	32,869,910
Vehicles	70,730,921	8,294,512	2,208,092	76,817,341	33,380,971	6,605,561	1,184,988	38,801,543	38,015,798	37,349,950
Office Equipments	65,647,946	1,470,785	69,000	67,049,731	38,745,080	3,786,253	11,368	42,519,964	24,529,767	26,902,866
Computers - Hardware	86,199,906	2,751,935	-	88,951,841	67,497,853	9,935,483	-	77,433,336	11,518,505	18,702,053
Air Conditioners	18,006,251	313,529	20,000	18,299,780	4,850,103	852,300	13,375	5,689,028	12,610,753	13,156,148
Total (A)	581,122,236	27,160,030	2,389,534	605,892,732	356,163,398	50,548,333	1,225,771	405,485,958	200,406,774	224,958,838
Intangible Assets										
Goodwill	10,180,000	-	-	10,180,000	10,180,000	-	-	10,180,000	-	-
Goodwill	27,000,000	-	-	27,000,000	2,700,000	-	-	2,700,000	24,300,000	24,300,000
Computers - Software	28,041,625	50,422	-	28,092,047	18,279,246	2,763,730	-	21,042,976	7,049,071	9,762,379
Total (B)	65,221,625	50,422	-	65,272,047	31,159,246	2,763,730	-	33,922,976	31,349,071	34,062,379
Grand Total (A+B)	646,343,861	27,210,452	2,389,534	671,164,779	387,322,644	53,312,063	1,225,771	439,408,934	231,755,845	259,021,217
Previous Year	703,253,570	14,259,913	71,169,622	646,343,861	354,510,392	63,131,426	30,319,174	387,322,644	259,021,217	

Consolidated Notes forming part of the financial statements

Note 14 : Non-Current investments - (At cost unless stated otherwise)

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted/ Trade / Non Trade	Partly Paid / Fully paid	Face value per share/ unit		In Rupees	
			As At				As At		As At	
			30 th June 2014	30 th June 2013			30 th June 2014	30 th June 2013	30 th June 2014	30 th June 2013
(a)	Investment in Equity Instruments									
	Centrum Securities Private Limited	Associate	100,000	100,000	Unquoted - Non-Trade	Fully paid	10	10	1,000,000	1,000,000
	Essel Centrum Holdings Limited	Associate	500,000	500,000	Unquoted - Non-Trade	Partly paid	10	10	1,000,000	1,000,000
	Nikumbh Dairy Products Limited	Others	4,000	4,000	Quoted - Non-Trade	Fully paid	10	10	109,500	109,500
	Birla Transasia Carpets LTD	Others	9,100	9,100	Quoted - Non-Trade	Fully paid	10	10	153,159	153,159
	Kaiser Press Ltd	Others	500	500	Quoted - Non-Trade	Fully paid	10	10	5,000	5,000
	Dynemic Products Ltd	Others	10,000	10,000	Quoted - Non-Trade	Fully paid	10	10	350,000	350,000
	Lumax Auto Technologies Ltd	Others	5,000	5,000	Quoted - Non-Trade	Fully paid	10	10	225,000	225,000
	Jagjanani Textiles	Others	10,000	10,000	Quoted - Non-Trade	Fully paid	10	10	250,000	250,000
	Hilton Metal Forging Ltd	Others	5,000	5,000	Quoted - Non-Trade	Fully paid	10	10	350,000	350,000
	Rap Media Ltd	Others	608,550	608,550	Quoted - Non-Trade	Fully paid	10	10	12,104,675	12,104,675
	Softchip Technologies Ltd	Others	907,200	907,200	Unquoted - Non-Trade	Fully paid	10	10	9,072,000	9,072,000
	Pan India Motors Pvt Ltd	Others	11,800,000	11,800,000	Unquoted - Non-Trade	Fully paid	10	10	43,000,000	43,000,000
	Oasis Counsel and Advisory Private Limited	Others	1	1	Unquoted - Non-Trade	Fully paid	10	10	10	10
	Bombay Stock Exchange Limited	Others	70,694	70,694	Unquoted - Trade	Fully paid	10	10	7,074,838	7,074,838
	Provision for Diminution in Value of Investment								(2,000,000)	(2,000,000)
									Total	72,694,182
(b)	Investment in Preference shares									
	Indra Investments Advisory Pvt Ltd	Others	100,000	100,000	Unquoted - Non-Trade	Fully paid	100	100	10,000,000	10,000,000
	SRR Consultants Pvt Ltd	Others	10,000	10,000	Unquoted - Non-Trade	Fully paid	10	10	10,000,000	10,000,000
	Ray Realtors Private Limited	Others	20,000	20,000	Unquoted - Non-Trade	Fully paid	10	10	5,000,000	5,000,000
									Total	25,000,000
									Grand Total	97,694,182
										2,202,326
										Net Total
										95,491,856

Less : Provision for diminution in value of investments

Aggregate Value of Quoted Investments [Market value of ₹ 13,654,357/- (Previous year ₹ 6,659,714/-)]	13,547,334
Aggregate Value of Unquoted Investments (in ₹)	86,146,848
Aggregate Provision for diminution in value of investments (in ₹)	4,202,326

Consolidated Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Note 15a : LONG TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE SPECIFIED)		
Deposits	126,403,574	121,265,249
	126,403,574	121,265,249
Included in Deposits are:		
Dues from Enterprise controlled by Key Management Personnel -Businessmatch Services (India) Private Limited [Maximum amount outstanding during the year ₹ 3,000,000/- (Previous Year ₹ 3,000,000/-)]	3,000,000	3,000,000
Dues from Key Management Personnel -Chandir Gidwani [Maximum amount outstanding during the year ₹ 3,000,000/- (Previous Year ₹ 3,000,000/-)]	3,000,000	3,000,000
Advance for purchase of shares		
Advance for purchase of shares pending transfer	10,000,000	10,000,000
	10,000,000	10,000,000
Other Loans and Advances		
Inter-corporate deposits	578,265,817	578,265,817
Loans to employees	2,335,300	2,335,300
Advance Tax & Tax Deducted at Source (Net of provision for tax ₹ 407,703,749/- (Previous Year ₹ 390,053,012/-)]	221,480,326	188,540,948
Pre-Paid Expenses	1,060,022	1,300,022
Advances recoverable in cash or in kind or for the value to be received	14,425,998	15,385,611
Less:- Provision for doubtful advance	945,878	945,878
Share in Long Term and advances of Joint Venture	-	2,174,021
	816,621,585	787,055,841
TOTAL	953,025,159	918,321,091
NOTE 15b- OTHER NON CURRENT ASSETS		
Long-term bank deposits	29,310,975	-
TOTAL	29,310,975	-

Consolidated Notes forming part of the financial statements

Note 16 : Current Investments - (At cost)

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted/ Trade / Non Trade	Partly Paid / Fully paid	Face value per share/ unit		In Rupees		
			As At				As At		As At		
			30 th June 2014	30 th June 2013			30 th June 2014	30 th June 2013	30 th June 2014	30 th June 2013	
(a)	Investment in Equity Instruments										
	Reliance Money Manager Fund - Institutional Option -Daily Dividend Plan	Others	-	-	Unquoted	-	-	-	-	33,802,308	31,561,696
	Tata Consultancy Services Limited	Others	560	560	Quoted - Trade	Fully paid	-	-	-	122,500	122,500
							Total	33,924,808	31,684,196		

Aggregate Value of Quoted Investment	122,500
Aggregate Value of Unquoted Investment	33,802,308
Aggregate Provision for diminution in value of investment	-

Consolidated Notes forming part of the financial statements

	As at 30 th June, 2014		As at 30 th June, 2013	
	Quantity (Units)	Amount (₹)	Quantity (Units)	Amount (₹)
Note 17 : INVENTORIES (at lower cost and net realisable value)				
Share in available for sale investment of Joint Venture	-	-	50	2,980
08.72% SAIL 2020	-	-	8	7,981,065
08.80% REC 2020	-	-	5	5,186,268
11.08% LIC Housing 2018	-	-	1	1,152,212
10.65% Indiabulls Financial Services 2027	-	-	15	1,456,500
08.90% IDFC 2025	-	-	14	14,968,052
10.75% Shriram Transport Fin 2020	-	-	23	22,728,600
11.40% Tata Power Perpetual	-	-	1	1,082,805
09.75% IFCI 2030	-	-	4	4,030,904
08.65% West Bengal SDL 2021	-	-	150,000	15,866,583
10.18% GOI 2026	25,000	2,823,574	-	-
09.38% Andhra Pradesh SDL 2024	70,000	7,441,257	-	-
07.77% IRFC 2026	50	4,983,570	-	-
08.58% Allhabad Bank 2024	2	1,993,562	-	-
09.40% IDBI Bank 2026	6	6,101,433	-	-
08.15% APPFC 2020	2	1,934,326	-	-
08.82% REC 2023	1	987,640	-	-
10.50% IFCI 2021	250	2,701,541	-	-
TOTAL	95,311	28,966,903	150,121	74,455,969

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Note 18 : TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE SPECIFIED)		
Debtors outstanding for a period exceeding six months		
Considered good	305,961,351	267,750,528
Considered doubtful	127,911,163	125,398,805
	433,872,514	393,149,333
Debtors outstanding for a period less than six months		
Considered good	1,224,938,699	740,352,879
	1,658,811,214	1,133,502,212
Less : Provision for doubtful debts	127,911,163	125,398,805
TOTAL	1,530,900,051	1,008,103,406

Consolidated Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Note 19 : CASH AND BANK BALANCES		
<u>Cash and Cash equivalents</u>		
Balances with Banks	265,651,514	276,269,441
Cheques on hand	222,577,449	230,367
Cash on Hand including foreign currencies	1,479,150	198,655,742
Other Bank Balances		
Deposits with maturity for more than 3 months but less than 12 months	120,109,074	111,917,602
Earmarked Balances With Banks		
Unpaid dividend accounts	81,824	91,138
Share in cash on Hand with Joint Venture	18,804,951	3,329,926
Share in Deposits with maturity for more than 3 months but less than 12 months of Joint Venture	315,577	14,539,153
TOTAL	629,019,539	605,033,369
Note 20 : SHORT TERM LOANS AND ADVANCES (SECURED, CONSIDERED GOOD, UNLESS OTHERWISE SPECIFIED)		
Loans and Advances to Others	124,672,879	78,029,817
	124,672,879	78,029,817
(UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE SPECIFIED)		
Loans and Advances to related parties		
Centrum Fiscal Pvt. Ltd. [(Maximum amount outstanding during the year ₹ 100,000 (Previous year ₹ 100,000))]	100,000	100,000
Centrum Securities Private Limited [(Maximum amount outstanding during the year ₹ 160,816,826 (Previous year ₹ 160,816,826))]	156,313,401	160,816,826
Centrum ESPS Trust [(Maximum amount outstanding during the year ₹ 306,225,000 (Previous year ₹ 306,225,000))]	306,225,000	306,225,000
	462,638,401	467,141,826
Loans to employees and others		
Considered good	3,078,334	3,930,495
Considered doubtful	3,000,000	3,000,000
	6,078,334	6,930,495
Less: Provision for doubtful advances	3,000,000	3,000,000
	3,078,334	3,930,495

Consolidated Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Loans to others		
Yule Investments Limited	152,382,711	128,817,711
Rinita Impex Private Limited	335,000,000	-
Top Class Capital Market Pvt. Ltd.	52,000,000	189,766,454
Gananayak Credit & Capital Services P.Ltd	5,000,000	9,000,000
	547,461,045	331,514,660
Other Loans and Advances		
Pre-Paid Expenses	2,649,868	1,898,907
Income Tax	20,268,098	6,652,222
Other Loans and advances	7,565,487	-
Considered good	55,903,568	74,625,195
Considered doubtful	453,488	453,488
	56,357,056	75,078,683
Less: Provision for doubtful advances	453,488	453,488
	86,387,022	83,176,324
TOTAL	1,221,159,346	959,862,627
Note 21 : OTHER CURRENT ASSETS		
Service tax (Input / Credit Account)	3,135,715	15,980,297
Rent Receivable	-	1,691,452
Advances recoverable in cash or in kind or for the value to be received	53,057,707	50,451,639
Other Current Assets	5,368,352	112,445,071
Deposits Others	176,674,927	88,275,985
Miscellaneous Expenditure	-	1,746,741
Interest Receivable	57,615,504	77,394,143
Share in Other current Assets of Joint Venture	3,680,452	2,695,802
TOTAL	299,532,657	350,681,130

Consolidated Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Note 22 : REVENUE FROM OPERATIONS:		
Syndication, Commisison & Brokerage	475,477,169	625,289,470
Forex / Forex equivalents	33,531,037,776	27,065,095,492
Income From Tours(Net)	84,207,466	103,693,193
Advisory Services	24,447,146	-
Brokerage & Commsion	570,999,368	337,495,446
Consultancy Fees	24,449,001	16,518,127
Interest Income	99,987,977	65,541,022
Trading in Bonds (net)	26,707,565	35,090,897
Share in Income from Operation of Joint Venture	7,145,191	10,425,717
TOTAL	34,844,458,659	28,259,149,364
NOTE 23 : OTHER INCOME		
Interest		
Others	125,144,807	119,103,883
Dividend income		
Dividend on Equity Shares - Non-trade	327,776	468,414
Dividend on Units of Mutual Fund - Non-trade	2,254,612	2,116,043
Dividend on Preference Shares - Non-trade	100,000	-
Profit on Sale of Shares	-	517,480
Profit on Sale of Investments - Short Term - Non-trade (net)	-	22,954,550
Foriegn exchange Gain (net)	-	2,350,484
Miscellaneous income	5,517,496	679,401
Other Income	8,804,601	21,125,615
Sundry Balances Written Back	3,304,756	4,088,233
Share in Other Income from Operation of Joint Venture	1,002,550	157,222
TOTAL	146,456,598	173,561,325

Consolidated Notes forming part of the financial statements

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Note 24 : EMPLOYEE BENEFIT EXPENSE		
Salaries wages and bonus	604,905,223	583,180,996
Contribution to provident & other funds	4,214,429	-
- E.S.I.C.	8,443	1,561,275
- Provident Fund	27,515,518	35,815,111
Gratuity Expenses	1,723,548	6,231,350
Compensated Absences	1,314,543	4,561,736
Staff welfare expenses	9,968,186	7,920,475
Share in Employee Benefit Expenses of Joint Venture	6,029,560	5,867,762
TOTAL	655,679,450	645,138,705
Note 25 : FINANCE COSTS		
Interest		
- on banks	99,984,788	99,436,878
- others	142,287,712	175,900,918
Bank charges	11,394,161	11,714,657
Share in Finance Costs of Joint Venture	-	5,673
TOTAL	253,666,661	287,058,126
NOTE 26 : OTHER EXPENSE		
Rent	427,991,964	270,023,288
Rates & Taxes	1,261,327	2,296,271
[including wealth tax ₹ 160,000/- , (Previous year ₹ 1,60,000/-)]		
Electricity	17,955,303	16,763,671
Foreign exchange loss (net)	1,981,112	115,525
Repair and maintenance - others	13,751,549	16,184,060
Insurance	3,455,170	3,736,723
Advertising	7,542,735	14,449,730
Business promotion	15,118,841	6,889,709
Meeting and seminars	999,586	748,690
Subscription and membership fees	2,275,033	2,221,434
Commission and brokerage	52,193,319	49,383,429
Travelling and conveyance	42,983,006	40,772,910
Depository, Transaction & PMS Charges	2,976,772	4,931,533

(₹)

Particulars	As at 30th June, 2014	As at 30th June, 2013
Franking Charges	212,420	706,320
Vehicle Expenses	11,395,718	12,562,883
Communication costs	23,572,767	23,843,432
Printing and stationery	10,396,331	8,954,496
Legal & professional fees	96,650,068	68,346,642
Office Expenses	15,529,200	13,708,441
Impairment of Investments	-	4,940,724
Bad Debts Written Off	-	386,031
Provision for Doubtful Debts	24,813,537	45,324,711
Director's sitting fees	595,860	881,267
Audit Fees	2,623,832	2,272,597
Sundry Balance Written Off	31,943	216,528
Registration Fees	1,600,000	-
Donation and contributions to charitable institutions	233,200	60,100
Claims and Compensations	7,913,014	8,089,805
Loss on sale of fixed assets (net)	408,963	23,727,480
Miscellaneous expenses	30,040,534	19,710,711
Share In Administrative Expenses	1,931,860	2,744,076
TOTAL	818,434,964	664,993,217

Consolidated Notes forming part of the financial statements

27. Segment Information

Primary Segment:

As of June 30, 2014, the Company has for the purpose of segment reporting identified the following major business as primary business segment.

- i) Advisory and Transactional Services consists of Investment Banking, broking activity, Portfolio Management, Wealth Management and Realty / Infrastructure Advisory services thereby earning transaction based fees.
- ii) Trading in Bonds – Purchase and sale of bonds and government securities in secondary market.
- iii) Forex business mainly comprising of Money changing services.
- iv) Travel and Tours – Travels and tours related services.
- v) Treasury – Treasury operations ensure liquidity for business and manages investment of surplus funds to optimize returns within the approved risk management framework.

Items that relate to the Company as a whole or at the corporate level not attributable to particular segments are included in “Unallocated”

Segment information for secondary segment reporting (by geographical segment).

Company's operations are mainly conducted in India. The Company has a subsidiary in USA, a Joint Venture in Hong Kong and a representative office at Dubai and the commercial risks and returns involved on the basis of geographic segmentation are relatively insignificant. Thus, secondary segment disclosures based on geographic segments have not been made. Segment wise details are given in Annexure -1.

Annexure 1 of 27 of Financial Statements

Information about Primary business segments

Particulars	Advisory & Transactional Services		Trading in Bonds		Forex and Forex Equivalents		Tours & Travels		Treasury		Unallocated		Elimination		Total	
	June 2014	June 2013	June 2014	June 2013	June 2014	June 2013	June 2014	June 2013	June 2014	June 2013	June 2014	June 2013	June 2014	June 2013	June 2014	June 2013
Revenue																
Income from operations	846,298,019	852,068,507	26,629,008	35,090,897	33,533,599,104	27,198,331,388	84,207,466	121,228,759	381,037,677	68,956,384	302,841,835	263,967,140	(183,697,852)	(106,932,387)	34,990,915,257	28,432,710,689
Total revenue	846,298,019	852,068,507	26,629,008	35,090,897	33,533,599,104	27,198,331,388	84,207,466	121,228,759	381,037,677	68,956,384	302,841,835	263,967,140	(183,697,852)	(106,932,387)	34,990,915,257	28,432,710,689
Result																
Expenditure	569,163,704	765,315,665	73,390,147	85,218,325	33,087,400,376	27,133,791,949	55,824,813	96,606,005	65,955,736	-	627,951,752	36,104,029	(26,597,513)	(12,761,735)	34,453,089,015	28,106,274,238
Segment result	277,134,315	86,752,842	(46,761,139)	(50,127,428)	446,198,728	64,539,440	28,382,653	22,622,754	315,081,941	68,956,384	(325,109,917)	227,863,111	(157,100,339)	(94,170,652)	537,826,242	326,436,452
Interest expense	11,006,462	21,659,482	7,336,019	7,557,203	-	72,074,725	-	1,585,325	-	75,752,821	381,030,558	189,671,541	(157,100,339)	(92,965,302)	242,272,500	275,337,795
Profit/(Loss) before taxation and prior period items	266,127,853	65,093,360	(54,097,159)	(57,684,630)	446,198,728	(7,535,286)	28,382,653	21,037,429	315,081,941	(6,796,437)	(706,140,274)	381,915,701	-	(1,207,350)	295,553,742	510,986,657
Tax expenses	-	-	-	-	-	-	-	-	-	-	64,328,778	(44,605,573)	-	-	64,328,778	(44,605,573)
Prior Period Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Extraordinary Items	-	-	-	-	-	-	-	-	-	-	18,549,042	49,944,075	-	-	18,549,042	49,944,075
Profit on disposal of investment in subsidiary	-	-	-	-	-	-	-	-	-	-	306,650	-	-	-	306,650	-
Minority Interest	-	-	-	-	-	-	-	-	-	-	96,775	2,189,855	-	-	96,775	2,189,855
Net Profit / (Loss)	266,127,850	65,093,361	(54,097,159)	(57,684,630)	446,198,728	(7,535,286)	28,382,653	21,037,429	315,081,941	(6,796,437)	(751,710,135)	(10,716,612)	-	(1,207,351)	249,983,881	143,458,451
Other Information																
Segment assets	855,646,890	969,044,630	55,706,964	107,214,649	881,447,839	1,101,340,011	22,280,676	206,399,470	-	515,907,773	7,428,527,787	4,458,389,756	(3,075,836,124)	(1,994,449,801)	6,167,774,031	5,363,846,488
Total Assets	855,646,890	969,044,630	55,706,964	107,214,649	881,447,839	1,101,340,011	22,280,676	206,399,470	-	515,907,773	7,428,527,787	4,458,389,756	(3,075,836,124)	(1,994,449,801)	6,167,774,031	5,363,846,488
Segment liabilities	66,227,334	400,743,605	9,557,795	78,599,075	4,002,469	959,288,261	1,644,716	149,749,702	79,344	404,158,217	4,656,879,085	1,689,750,857	(1,148,028,580)	(656,819,498)	3,590,362,163	3,025,450,219
Minority Interest	-	-	-	-	-	-	-	-	-	-	10,995,421	9,482,039	-	(295,802)	10,995,421	9,186,237
Total liabilities	66,227,334	400,743,605	9,557,795	78,599,075	4,002,469	959,288,261	1,644,716	149,749,702	79,344	404,158,217	4,667,874,506	1,699,232,896	(1,148,028,580)	(657,115,300)	3,601,357,584	3,034,636,455
Capital expenditure	4,184,680	8,095,874	10,46,170	1,031,760	-	4,833,447	-	298,832	-	21,979,602	-	-	-	-	27,210,452	14,259,913
Depreciation	28,135,941	37,578,516	7,033,985	7,111,860	-	14,150,027	-	1,605,946	-	15,378,407	-	-	-	-	50,548,333	60,446,249
Amortisation	1,000,165	999,303	250,041	249,826	-	1,179,772	-	255,556	-	1,513,524	-	-	-	-	2,763,730	2,684,458
Provision for bad and doubtful debt and bad debts written off	20,808,604	41,354,194	-	-	-	4,573,076	-	-	-	4,036,876	-	-	-	-	24,845,480	45,927,270
Miscellaneous expenditure (to the extent of not written off or adjusted)	-	-	-	-	-	-	-	-	-	30,040,538	-	-	-	-	30,040,538	-

There are no intersegment transfers.

Consolidated Notes forming part of the financial statements

28. Related Party Disclosures

(i) Names of Related Parties

In terms of Accounting Standard 18 (AS-18) 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules, 2006, the disclosures of transactions with the related parties as defined in AS-18 are given below :

Names of related parties with whom transactions have taken place during the year	
Joint Venture in which Holding Company is a Venturer	- Commonwealth Centrum Advisors Limited
Enterprise controlled by Key Management Personnel or their relatives	- Businessmatch Services (India) Private Limited - Sonchajyo Investments & Finance Private Limited
Associates / Entities where the Company has significant influence	- Centrum Securities Private Limited - Essel-Centrum Holdings Limited
Key Management Personnel	- Mr. P. R. Kalyanaraman, Managing Director - Mr. Chandir Gidwani, Non-Executive Chairman - Mr. Alpesh Shah, Company Secretary - Mr. T.C. Guruprasad, Managing Director of CentrumDirect Limited (w.e.f November 01, 2013) - Mr. Shrimanta Basu Mallik - Whole Time director of Club 7 Holidays Limited (Resigned w.e.f May 01, 2014) - Mr. Pradeep Kumar Mukherjee - Whole Time Director of Club 7 Holidays Limited. - Mrs. Aparna Chaturvedi - Whole Time Director of Club 7 Holidays Limited. - Mr. Sandeep Koni Nayak - Whole time director of Centrum Broking Limited - Mr. Sriram Venkatasubramanian - Whole time director of Centrum Broking Limited - Mr. Pradeep Dinkar Oak - Whole time director of Centrum Broking Limited - Mr. Gangatharan Chokkalingam - Whole time director of Centrum Wealth Management Limited (Resigned w.e.f November 9, 2013) - Mr. Rajnish Bahl - Whole Time Director of Centrum Wealth Management Limited - Mr. S. Ganashyam - Whole Time Director Centrum Wealth Management Limited

28. Transactions carried out with the related parties in (i) above in ordinary course of business:

Nature of transaction	Enterprise controlled by Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Associates / Entities where company has significant influence		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Inter-Corporate Deposits Given										
Centrum Securities Private Limited	-	-	-	-	-	-	-	15,600,000	-	15,600,000
Total	-	-	-	-	-	-	-	15,600,000	-	15,600,000
Inter-Corporate Deposits taken back										
Centrum Securities Private Limited	-	-	-	-	-	-	21,995,000	-	21,995,000	-
Total	-	-	-	-	-	-	21,995,000	-	21,995,000	-
Inter-Corporate Deposits taken										
Businessmatch Services (India) Private Limited	357,950,000	264,300,000	-	-	-	-	-	-	357,950,000	264,300,000
Total	357,950,000	264,300,000	-	-	-	-	-	-	357,950,000	264,300,000
Inter-Corporate Deposits repaid										
Businessmatch Services (India) Private Limited	346,400,000	498,150,000	-	-	-	-	-	-	346,400,000	498,150,000
Total	346,400,000	498,150,000	-	-	-	-	-	-	346,400,000	498,150,000
Interest Expenses										
Businessmatch Services (India) Private Limited	12,337,397	28,350,526	-	-	-	-	-	-	12,337,397	28,350,526
Total	12,337,397	28,350,526	-	-	-	-	-	-	12,337,397	28,350,526
Rent Expenses										
Businessmatch Services (India) Private Limited	1,581,236	1,552,499	-	-	-	-	-	-	1,581,236	1,552,499
Total	1,581,236	1,552,499	-	-	-	-	-	-	1,581,236	1,552,499
Interest Income										
Centrum Securities Private Limited	-	-	-	-	-	-	3,033,744	1,952,964	3,033,744	1,952,964
Total	-	-	-	-	-	-	3,033,744	1,952,964	3,033,744	1,952,964
Brokerage & Commission & DP Income Received										
Key Managerial Personnel & Relatives	-	-	19,036	40,889	-	-	-	-	-	-
Total	-	-	19,036	40,889	-	-	-	-	-	-

Nature of transaction	Enterprise controlled by Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Associates / Entities where company has significant influence		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Directors sitting Fees										
Mr. Chandir Gidwani	-	-	120,000	160,000	-	-	-	-	120,000	160,000
Mr. Rajesh Nanavaty	-	-	160,000	260,000	-	-	-	-	160,000	260,000
Mr. Rishad Byramjee	-	-	60,000	240,000	-	-	-	-	60,000	240,000
Mr. Dhanpal Jhaveri	-	-	20,000	20,000	-	-	-	-	20,000	20,000
Mr. Ameet Naik	-	-	160,000	80,000	-	-	-	-	160,000	80,000
Mr. Rashid Kidwai	-	-	20,000	20,000	-	-	-	-	20,000	20,000
Mr. Manmohan Shetty	-	-	20,000	40,000	-	-	-	-	20,000	40,000
Mr. Subimal Bhattacharjee	-	-	-	20,000	-	-	-	-	-	20,000
Mr. R. S. Reddy	-	-	20,000	20,000	-	-	-	-	20,000	20,000
Total	-	-	580,000	860,000	-	-	-	-	580,000	860,000
Professional Fees Expenses										
Sonchajyo Investment and Finance Private Limited	1,200,000	1,200,000	-	-	-	-	-	-	1,200,000	1,200,000
Total	1,200,000	1,200,000	-	-	-	-	-	-	1,200,000	1,200,000
Managerial Remuneration										
Mr. T. R. Madhavan	-	-	-	1,973,200	-	-	-	-	-	1,973,200
Mr. P. R. Kalyanaraman	-	-	6,000,000	3,421,553	-	-	-	-	6,000,000	3,421,553
Mr. K. Sandeep Nayak	-	-	7,291,488	7,526,592	-	-	-	-	7,291,488	7,526,592
Mr. V. Sriram	-	-	4,660,008	4,504,674	-	-	-	-	4,660,008	4,504,674
Mr. Pradeep Oak	-	-	3,017,514	2,529,663	-	-	-	-	3,017,514	2,529,663
Mr. Chokkalingam G.	-	-	4,556,019	8,124,000	-	-	-	-	4,556,019	8,124,000
Mr. Rajnish Bahl	-	-	10,647,768	9,319,384	-	-	-	-	10,647,768	9,319,384
Mr. Ganashyam	-	-	10,540,416	9,433,430	-	-	-	-	10,540,416	9,433,430
Mr. T. C. Guruprasad	-	-	5,825,376	-	-	-	-	-	5,825,376	-
Total	-	-	52,538,589	46,832,496	-	-	-	-	52,538,589	46,832,496
Other Remuneration										
Ms. Sonia Gidwani	-	-	-	-	6,431,082	5,711,566	-	-	-	-
Total	-	-	-	-	6,431,082	5,711,566	-	-	6,431,082	5,711,566

Nature of transaction	Enterprise controlled by Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Associates / Entities where company has significant influence		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Amount Receivable as at June 30, 2014										
Interest Receivable										
Centrum Securities Private Limited	-	-	-	-	-	-	-	2,085,018	-	2,085,018
Total	-	-	-	-	-	-	-	2,085,018	-	2,085,018
Security Deposits										
Businessmatch Services (India) Private Limited	3,000,000	3,000,000	-	-	-	-	-	-	3,000,000	3,000,000
Mr. Chandir Gidwani	-	-	3,000,000	3,000,000	-	-	-	-	3,000,000	3,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000	-	-	-	-	6,000,000	6,000,000
Loan/Advances receivable										
Centrum Securities Private Limited	-	-	-	-	-	-	-	21,995,000	-	21,995,000
Centrum ESPS Trust	-	-	-	-	-	-	-	306,225,000	306,225,000	306,225,000
Total	-	-	-	-	-	-	-	328,220,000	306,225,000	328,220,000
Amount payable as at June 30, 2014										
Rent Payable										
Businessmatch Services (India) Private Limited	220,178	964,645	-	-	-	-	-	-	220,178	964,645
Total	220,178	964,645	-	-	-	-	-	-	220,178	964,645
Interest Payable										
Businessmatch Services (India) Private Limited	11,686,377	24,738,857	-	-	-	-	-	-	11,686,377	24,738,857
Total	11,686,377	24,738,857	-	-	-	-	-	-	11,686,377	24,738,857
Loan/Advances payable										
Businessmatch Services (India) Private Limited	11,550,000	-	-	-	-	-	-	-	11,550,000	-
Total	11,550,000	-	-	-	-	-	-	-	11,550,000	-
Investments in Equity Shares as on June 30, 2014										
Commonwealth Centrum Advisors Limited	-	-	-	-	-	-	-	-	19,809,794	19,809,794
Centrum Securities Private Limited	-	-	-	-	-	-	-	1,000,000	1,000,000	1,000,000
Essel Centrum Holdings Limited	-	-	-	-	-	-	-	1,000,000	1,000,000	1,000,000
Total	-	-	-	-	-	-	-	2,000,000	21,809,794	21,809,794

Consolidated Notes forming part of the financial statements

29. Operating lease

- i) The Company has entered into cancellable leasing arrangements for corporate and branch offices and residential premises. The lease rentals of ₹ 347,483,397/- (previous year ₹ 136,752,972/-) have been included under the head Rent under Note 26 of Statement of Profit and Loss.
- ii) The Company has also entered into non-cancellable leasing arrangement for corporate office.

(₹)

Particulars	1 st July, 2013 –30 th June, 2014	1 st July, 2012 –30 th June, 2013
Lease rental paid	69,277,014	117,041,243
Future minimum lease payments are as under	As at 30th June, 2014	As at 30th June, 2013
Payment not later than one year	5,610,523	111,414,634
Payment later than one year but not later than five year	19,448,769	296,551,807
Payment later than 5 years	-	-

General description of Company's significant leasing arrangement:

Corporate Office premises in Mumbai are obtained on operating lease. The lease rent payable is ₹ 85,84,800/- per month for the period July 1, 2013 to November, 2013. The lease rent was revised in December 2013 and consequently the lease rent payable is ₹ 90,14,040/- per month for the period December 01, 2013 to June 30, 2014.

The lease term is for a period of 4 years with a lock in period of 12 months and thereafter as per the mutual agreement between the lessor and the Company. There is an escalation clause in the lease agreement @ 5 % every year which will be reviewed mutually every year by the Company and the lessor hence effect of escalation is not taken in the above disclosure.

30. Interest in joint venture

The Company have 50% interest in Commonwealth Centrum Advisors Limited Accordingly, the following disclosures include Balance Sheet as well as Profit & Loss numbers of Commonwealth Centrum Advisors Limited.

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Assets	22,837,719	22,741,881
Liabilities	(22,837,719)	(22,741,881)
Revenue	7,222,374	10,572,474
Other Expenses	(7,174,740)	(8,617,510)
Profit before tax	47,634	1,954,964
Tax expenses	(162,134)	(179,770)
Other comprehensive income (net of tax)	136,236	1,217,815
Profit after tax	21,736	2,993,009

Consolidated Notes forming part of the financial statements

31. Minority interest represents that part of the net results of operations and of the net assets of a subsidiary and subsidiary of joint venture entity attributable to interests which are not owned, directly or indirectly through subsidiaries by Centrum Capital Limited / Joint Venture entities as follows:

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Subsidiary (A)		
Share Capital	1,438,116	100,000
Share Premium	4,702,012	-
Share of opening reserve	(4,376,052)	(44,831)
Share of current year profit/(loss)	(211,903)	(3,502)
Total (A)	1,552,173	51,667
Step Down Subsidiary (B)		
Share Capital	251,850	251,850
Share of opening reserve	8,882,720	6,152,292
Addition on account of conversion of Joint Venture into Subsidiary.	-	-
Share of current year profit/(loss)	308,678	2,730,428
Deduction on account of additional sale of shares	-	-
Total (B)	9,443,247	9,134,570
Net Total (A+B)	10,995,420	9,186,237

32. (a) Contingent Liabilities not provided for :

(₹)

Particulars	As at 30 th June, 2014	As at 30 th June, 2013
Corporate Guarantees given by the Company:		
- Subsidiary	977,500,000	967,500,000
Partly paid equity shares of Essel-Centrum Holdings Limited	4,000,000	4,000,000
Income Tax in respect of Assessment Year 2008-2009 in respect of which the Company has gone on appeal	4,573,750	4,573,750
Income Tax in respect of Assessment Year 2009-2010 in respect of which the Company has gone on appeal	124,370	124,370
Income Tax in respect of Assessment Year 2010-2011 in respect of which the Company has gone on appeal	11,310,700	11,310,700
Income Tax in respect of Assessment Year 2011-2012 in respect of which the Company has gone on appeal	15,742,380	-
Guarantees given by Banks on behalf of the Company	2,750,000	2,750,000
Legal claims pending in consumer court	3,526,427	3,526,427

Consolidated Notes forming part of the financial statements

- (b) In view of assessment order received from income tax authorities demanding ₹ 2,696,060/- towards liability on account of disallowance under Section 14A of Income Tax Act, 1961 for assessment year 2008-2009, based on the facts / merits of the case under question, the Company has duly preferred an appeal and also paid ₹ 1,348,030/- (i.e. 50% of the IT demand vide challan no 56091 dated 28/03/2011) and ₹ 500,000/- (Paid on 07/09/2011) and no provision is considered necessary by the management of the Company.
- (c) In view of assessment order received from income tax authorities demanding ₹ 11,310,700/- primarily on account of disallowance under Section 14A of Income Tax Act, 1961 for assessment year 2010-2011, based on the facts / merits of the case under question, the Company has duly preferred an appeal. Hence on the basis of facts of the case, no provision is considered necessary by the management of the Company.
- (d) In view of assessment order received from income tax authorities demanding ₹ 8,326,840/- primarily on account of disallowance under Section 14A of Income Tax Act, 1961 for assessment year 2011-2012, based on the facts / merits of the case under question, the Company has duly preferred an appeal. Hence on the basis of facts of the case, no provision is considered necessary by the management of the Company.

33. Gratuity and Post employment benefit plans

Short Term Employee Benefits

Liability in respect of short term compensated absences is accounted for at undiscounted amount likely to be paid as per entitlement.

Defined Contribution Plan

Retirement benefits in the nature of Provident Fund, Superannuation Scheme and others which are defined contribution schemes, are charged to the Statement of Profit and Loss of the year when contributions accrue.

Defined Benefit Plan

The liability for Gratuity, a defined benefit obligation, is accrued and provided for on the basis of actuarial valuation using the Projected Unit Credit method as at the Balance Sheet date

Other Long Term Benefits

Long term compensated absences are provided on the basis of an actuarial valuation using the Projected Unit Credit method as at the Balance Sheet date. Actuarial gains and losses comprising of experience adjustments and the effects of changes in actuarial assumptions are recognised in the Statement of Profit and Loss for the year as income or expense.

Disclosure Under AS – 15 (Revised 2005)

Company has adopted the Accounting Standard (AS – 15) (Revised 2005) “Employee Benefits” effective April 01, 2007.

Consolidated Notes forming part of the financial statements

- I. Defined Contribution Plans: The Company has classified the various benefits provided to employees as under:
- Provident Fund
 - Employers' Contribution to Employees' State Insurance

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the Superannuation Fund is administered by the Trustee of the Life Insurance Corporation. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income Tax authorities.

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

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Employer's contribution to Provident Fund	31,729,947	35,815,111
Employer's contribution to Employees' State Insurance	8,443	15,61,275

II. Defined Benefit Plans

(a) Contribution to Gratuity Fund (Funded Scheme):

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

Particulars	For the year ended 30 th June, 2014	For the year ended 30 th June, 2013
Discount rate (per annum)	7.75%-8.50%	7.75%-8.50%
Rate of increase in compensation levels (p.a)	4.00%-6.00%	4.00%-6.00%
Expected rate of return	8.60%-8.70%	8.60%-8.70%

(b) Changes in the present value of defined benefit obligation are as follows

(₹)

Particulars	For the year ended 30 th June, 2014	For the year ended 30 th June, 2013
Opening defined benefit obligation	33,309,882	22,440,531
Interest cost	2,562,353	1,907,445
Current service cost	6,611,163	5,498,565
Past service cost (non vested benefit)	-	-
Past service cost (vested benefit)	-	-
Settlement	-	-
Liability transfer in	-	-
Liability transfer out	-	-
Benefit paid	(3,136,315)	(2,569,178)
Actuarial (gain)/loss on obligation	(6,512,583)	6,026,361
Closing defined benefit obligation	32,834,500	33,303,724

Consolidated Notes forming part of the financial statements

(c) Changes in the fair value of plan assets are as follows:

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Opening fair value of plan assets	23,134,211	20,116,417
Expected Return on Plan Assets	2,012,677	1,730,012
Contributions by employer	2,701,647	2,705,236
Benefit paid	(3,136,315)	(2,569,178)
Actuarial gain/(loss) on Plan Assets	(69,722)	1,151,724
Closing fair value of plan assets	24,642,498	23,134,211

(d) Disclosure as per Para 120 (n) of AS-15

(₹)

Particulars	Funded Scheme Gratuity				
	For the year ended 30 th June 2014	For the year ended 30 th June 2013	For the year ended 30 th June 2012	For the year ended 30 th June 2011	For the year ended 30 th June 2010
Defined benefit obligation	(32,834,500)	(33,303,724)	(22,657,152)	18,415	(8,271,711)
Plan assets	24,642,498	23,134,211	20,116,417	13,864,554	7,012,505
Surplus / (deficit)	(8,192,002)	(10,169,513)	(2,540,735)	1,145,227	1,259,207
Experience adjustments on plan liabilities	42,144	(33,303,724)	(22,657,152)	18,415	(8,271,711)
Experience adjustments on plan assets	(14,756)	23,134,211	20,116,417	13,864,554	7,012,505

(e) Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets.

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Present Value of Funded Obligation as at end of the year	(32,834,500)	(28,030,995)
Fair Value of Plan Assets as at end of the year	24,642,498	231,134,211
Funded Liability/ (Asset) as at the Balance Sheet date	(8,192,002)	(4,896,784)

(f) Amount recognised in the Balance Sheet

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Liability at the end of the year	(32,834,500)	(28,030,995)
Fair Value of Plan Assets at the end of the year	24,642,498	231,134,211
Amount recognized in the Balance Sheet	(8,192,002)	(4,896,784)

Consolidated Notes forming part of the financial statements

(g) Expenses recognized in Statement of Profit and Loss

(₹)

Particulars	For the year ended 30 th June, 2014	For the year ended 30 th June, 2013
Current service cost	6,611,163	5,751,544
Interest cost on benefit obligation	2,562,353	1,907,445
Expected return on plan assets	(2,012,677)	(185,633)
Past Service Cost(non vested Benefit) Recognised	-	-
Past Service Cost (vested Benefit) Recognised	-	-
Recognition of transition liability	-	-
Net actuarial (gain) / loss recognised in the year	(6,442,861)	4,874,637
Net benefit expense	717,978	12,347,993

(h) Actual Return on Plan Assets

(₹)

Particulars	For the year ended 30 th June, 2014	For the year ended 30 th June, 2013
Expected Return on Plan Assets	2,012,677	1,730,012
Actuarial gains / (losses) on Plan Assets	(69,722)	1,151,724
Actual Return on Plan Assets	1,942,955	2,881,736

34. Derivative Instruments and Un-hedged Foreign Currency Exposure

- There were no contracts outstanding as at balance sheet date.
- Particulars of Unhedged Foreign Currency Exposure are detailed below at the exchange rate prevailing as at balance sheet date

Particulars	Current Year			Previous Year		
	Quantity	Rate	Amount (₹)	Quantity	Rate	Amount (₹)
Sundry creditors						
USD	600,558	60.19	36,145,304	828,020	59.38	49,167,798
EURO	495,290	82.21	40,719,475	184,652	66.65	14,338,837
GBP	117,959	102.63	12,105,625	69,925	90.51	6,328,702
CAD	100,748	56.36	5,678,580	42,684	56.66	2,418,480
AUD	94,380	56.55	5,337,331	63,588	54.79	3,484,044
OTHERS			11,016,238			10,792,160
Total			111,002,553			86,530,01
Forex and forex equivalents						
USD	1,188,948	60.19	71,558,266	1,259,293	59.38	74,776,825
EURO	342,785	82.21	28,181,487	562,950	66.65	43,645,043
GBP	154,269	102.63	15,831,983	109,316	90.51	9,893,845
CAD	65,024	56.36	3,665,001	47,128	56.66	2,670,264

Consolidated Notes forming part of the financial statements

Particulars	Current Year			Previous Year		
	Quantity	Rate	Amount (₹)	Quantity	Rate	Amount (₹)
JPY	4,333,985	0.59	2,568,754	2,202,000	0.60	1,321,861
AED	793,705	16.36	12,982,955	154,030	16.19	2,492,988
AUD	67,027	56.55	3,790,470	68,828	54.79	3,771,127
SGD	212,023	48.22	10,223,123	122,995	46.94	5,773,920
CHF	40,354	67.64	2,729,412	10,199	62.98	642,370
SAR	211,718	16.02	3,391,468	180,763	15.85	2,865,455
AED			-----	101,341	16.22	1,643,880
OTHERS			26,894,623			8,964,208
Total			181,817,542			158,461,786

35. Deferred Tax Asset / Liability

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

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

(₹)

Particulars	For the year ended 30 th June, 2014	For the year ended 30 th June, 2013
Deferred tax liabilities		
Difference between book and tax depreciation	1,652,097	6,485,661
On a/c of leasehold expenses claimed in IT	21,114,916	20,155,147
Total (A)	22,784,954	26,640,808
Deferred tax (assets):		
Provision for Gratuity & leave encashment	(8,446,913)	(84,24,091)
On a/c of Depreciation on leasehold in Company	(14,559,979)	(12,058,883)
On a/c of Provision for Bad debts	(35,117,615)	(32,590,771)
Unabsorbed Depreciation	(8,201,963)	(108,560,253)
Carried Forward Losses	(258,260,450)	(113,313,509)
Total (B)	(324,586,920)	(274,947,507)
Net deferred tax liability / (assets) (A - B)	(301,801,966)	(248,306,699)

36. (a) Earnings in foreign exchange (Accrual basis)

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Commission / Syndication fees	16,488,185	6,039,870
Branch Income	151,134,134	-
Total	167,622,319	6,039,870

Consolidated Notes forming part of the financial statements

(b) Expenditure in foreign currency (Accrual basis)

(₹)

Particulars	30 th June, 2014	30 th June, 2013
Travelling	2,326,308	748,504
Professional Fees	3,658,852	559,550
Commission and Brokerage	-	235,645
Branch Expenses	16,834,328	20,899,910
Total	22,819,488	22,443,609

37. Earnings Per Share

(₹)

Particulars	For the year ended 30 th June, 2014	For the year ended 30 th June, 2013
Profit after taxes (net of prior period items) after Exceptional Items attributable to equity Shareholders (In ₹)	249,983,877	143,458,451
Weighted average number of equity shares issued and outstanding:		
Weighted average number of equity shares at the end of the Year before share split and bonus issue (Face Value ₹ 10/-)	6,933,879	6,933,879
Weighted average number of equity shares after considering Shares Split (Face Value ₹ 1/-) (Refer Note 38)	69,338,790	69,338,790
Weighted average number of equity shares on account of Bonus issue (Face Value ₹ 1/-) (Refer Note 38)	346,693,950	346,693,950
Weighted average number of equity shares outstanding after considering Shares split and Bonus Issue (Face Value ₹ 1/-)	416,032,740	416,032,740
Basic and Diluted Earnings Per Share before Extraordinary Items	0.6	0.35
Basic and Diluted Earnings Per Share after Extraordinary Items	0.6	0.35
Nominal Value of Equity Shares	1/-	1/-

38. During the previous year, company had held Extraordinary general meeting on June 13, 2014, wherein members have approved increase in authorized capital from ₹ 100,000,000 (Rupees Ten Crores) divided into 10,000,000 equity shares of ₹ 10/- each to ₹ 420,000,000 (Rupees Forty Two Crores) divided into 42,000,000 equity shares of ₹ 10 each.

Members have also approved sub division of Equity shares of Face Value of ₹ 10/- each into Equity shares of ₹ 1/- each and Issue of Bonus Equity Shares in the ratio of 5:1 after subdivision of shares. The subdivision was effective and simultaneous with the allotment of Bonus shares by the Board or as per the advice of the Stock Exchange. BSE has issued a notice vide Notice Number 20140619-23 dated June 19, 2014 informing the Trading Members that record date for sub division and bonus issue will be on July 4, 2014.

Consequent upon which, subsequent to balance sheet date the company has sub divided equity share of ₹10/- each to 10 shares of ₹ 1/- each. Further vide board resolution dated July 8, 2014, company has allotted Bonus Shares in the proportion of 5 (Five) Equity Share of ₹ 1/- each for every 1 (One) Equity Share of ₹ 1/- each by capitalizing ₹ 346,693,950/- out of its Securities Premium Account.

Consolidated Notes forming part of the financial statements

The Capital Structure giving effect to the above will be as follows.

		(₹)
Particulars		Amount (₹)
SHARE CAPITAL		
AUTHORISED 420,000,000 Equity shares of ₹ 1/-each		420,000,000
TOTAL		420,000,000
ISSUED 416,032,740 Equity shares of ₹1/- each		416,032,740
SUBSCRIBED & FULLY PAID UP 416,032,740 Equity shares of ₹1/- each		416,032,740
TOTAL		416,032,740

39. During the year, the company has repaid ₹ 240,000,000/- out of the loan of ₹ 620,000,000/- availed from its than JV partner, for the purpose of buying out the stake of its JV partner in CentrumDirect Limited. In light of the above both parties have reached an in-principle understanding that interest on the said loan will not be payable with effect from April 01, 2013.
40. During the previous year, BrihanMumbai Municipal Corporation (BMC) has made downward revision in property tax rate with retrospective effect from April 2010 and Company being a beneficiary recognized the refund of ₹ 47,181,295/- against the property taxes paid for period April 2010 to March 2012 and reversal of ₹ 2,762,780/- for excess property tax provided for period April 2012 to June 2012. The Company had recognized the same as income amounting to ₹ 49,944,075/- as shown in Statement of Profit and loss under the head exceptional items.
41. **Loans and Advances (including interest) includes amounts due from:**
Loans and advance granted to companies under same management pursuant to Section 372A of the Companies Act, 1956, associates and companies in which directors are interested pursuant to Clause 32 of the Listing Agreement.

					(₹)
Particulars	As at 30 th June 2014	Maximum outstanding during the year	As at 30 th June 2013	Maximum outstanding during the year	
Parties under the same management					
Centrum Securities Private Limited	-	1,625,000	1,625,000	1,625,000	
Centrum ESPS Trust	306,225,000	306,225,000	306,225,000	306,225,000	
Parties in which directors are interested					
Businessmatch Services (India) Private Limited	3,000,000	3,000,000	3,000,000	3,000,000	
Deposits outstanding from Director of Holding Company	3,000,000	3,000,000	3,000,000	3,000,000	

-
- 42.** In case of company's associate Companies Centrum Securities Private Limited and Essel-Centrum Holdings Limited; accumulated losses accounted in previous financial year's consolidated financial statements based on the equity method under AS-23 'Accounting for Investments in Associates in Consolidated Financial Statements' have resulted in complete erosion of carrying of company's investments in associate Companies. Accordingly, no further provisions for losses have been made in current year's consolidated financial statements.
- 43.** Trade Receivables are subject to confirmations, reconciliations and adjustments, if any, arising there from.
- 44.** The Company has long outstanding trade receivable amounting to ₹ 45,832,632/-(P.Y. ₹ 45,832,632/-).Based on recent trends in collection and status of ongoing lawsuit; the above amount, in view of the management, is fully recoverable and accordingly the same need not be subject to any provisioning.
- 45.** During the year, the Company had paid in full, service tax dues under the Service Tax Voluntary Compliance Encouragement Scheme (VCES), towards short payment of service tax for the period April 2012 to December 2012 amounting to ₹ 74,557,031/- wherein the above service tax liability can be paid in future years without any Interest and penalty thereon.
- 46.** During the year, the Company has sold its investments of ₹ 400,000/- in Accounts Receivables Management Services (India) Limited (ARMS) at book value. Consequent upon which, ARMS is no longer a subsidiary of the company as on the balance sheet date.

46. Prior Year Comparatives

The Figures for the previous year have been regrouped/ rearranged wherever necessary to conform to current year's classification.

As per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No.103523W
sd/-
Sumant Sakhardande
Partner
Membership No.034828

Place : Mumbai
Date : 28th August, 2014

For and on behalf of Board of Directors
Centrum Capital Limited

sd/-
P.R. Kalyanaraman
Managing Director
DIN : 01993027

sd/-
Chandir Gidwani
Non Executive Chairman
DIN : 00011916
sd/-
Alpesh Shah
Company Secretary

Information on the financials of the subsidiary companies for the year ended June 30, 2014

[Prepared in compliance with the requirements of the exemption letter(s) of the Ministry of Corporate Affairs, Government of India]

[Pursuant to Section 212 of the Companies Act, 1956]

Name of the Subsidiary Company	Centrum Infrastructure & Realty Limited	Centrum Wealth Management Limited	CentrumDirect Limited	Centrum Financial Services Limited	Centrum Capital Holdings LLC	Centrum Broking Limited	Centrum Securities LLC	Club 7 Holidays Limited
The financial year of the subsidiary ended on	June 30, 2014	June 30, 2014	June 30, 2014	June 30, 2014	June 30, 2014	June 30, 2014	June 30, 2014	June 30, 2014
Capital	500,000	200,000,000	67,894,340	47,500,000	1,890,659	194,340,020	1,890,659	1,500,000
Reserves	(137,388,298)	(184,126,042)	1,646,547,875	72,213,711	-	15,412,668	-	44,561,449
Total Assets	36,690,443	275,255,530	3,010,040,670	705,159,305	1,890,659	469,907,658	1,890,659	197,286,748
Total Liabilities	36,690,443	275,255,530	3,010,040,670	705,159,305	1,890,659	469,907,658	1,890,659	197,286,748
Investments (except in case of investment in subsidiaries)	-	-	33,802,308	10	-	7,074,838	-	122,500
Turnover	3,112,327	231,265,107	33,995,648,946	101,113,279	-	144,650,770	-	98,140,511
Profit / (Loss) before taxation	(8,975,789)	(96,282,521)	334,604,554	10,565,269	(28,066)	(28,636,004)	-	3,207,701
Provision for taxation	-	36,337,491	(111,122,371)	2,601,113	-	-	-	(754,320)
Profit / (Loss) after taxation	(8,975,789)	(59,945,030)	223,482,183	7,964,156	(28,066)	(28,636,004)	-	1,838,462
Proposed dividend	-	-	-	-	-	-	-	-

Notes:

- The Ministry of Corporate Affairs has vide its letter(s) bearing No. 47/634/2010-CL-III dated July 1, 2010 exempted the Company from attaching to its Balance Sheet, certain information in respect of its subsidiaries specified in Section 212(1) of the Companies Act, 1956.
- The annual accounts of the subsidiary companies are available for inspection at the Corporate Office of the Company.

As per our report of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No.103523W
sd/-

Sumant Sakhardande
Partner
Membership No.034828

Place : Mumbai
Date : 28th August, 2014

For and on behalf of Board of Directors
Centrum Capital Limited

sd/-
P.R. Kalyanaraman
Managing Director
DIN : 01993027

sd/-
Chandir Gidwani
Non Executive Chairman
DIN : 00011916
sd/-
Alpesh Shah
Company Secretary

CENTRUM

Your Aim Is Our Only Target

Registered Office: Bombay Mutual Building, 2nd Floor, Dr. D. N. Road, Fort, Mumbai - 400 001.

Tel: (022) 2266 2434 | Fax: (022) 2261 1105

Corporate Office: Centrum House, CST Road, Vidyanagari Marg, Kalina,
Santacruz (East), Mumbai - 400 098.

Tel: (022) 4215 9000 | Fax: (022) 4215 9833

Email: cs@centrum.co.in; info@centrum.co.in | Website: www.centrum.co.in

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