



CIN: U67110MH1929GOI001484

89<sup>th</sup> Annual Report: 2017-18

Centbank Financial Services Limited

**Registered Office:**

Central Bank of India- MMO Building, 3<sup>rd</sup> Floor (East Wing)  
55, Mahatma Gandhi Road, Fort,  
Mumbai 400001

☎: 022 - 2261 6217; Fax: 022 - 2261 6208, e-mail: dts@cfsl.in, website: www.cfsl.in

**Directors**

Shri BK Divakara (Chairman)  
Shri BS Shekhawat (w.e.f. 03 Sept 2018)  
Shri K Raghuraman  
Shri K Satyanarayanan (w.e.f. 15 May 2017)  
Shri RN Syndolia (upto 30 June 2017)  
Shri RN Hirve (from 23 Aug 2017 to 30 April 2018)  
Shri RL Wadhwa (Managing Director) (upto 31 Oct 2017)  
Shri UK Maheshwari (Managing Director) (w.e.f. 20 Dec 2017)

**Company Secretary**

Shri HV Kamdar

**Statutory Auditors**

M/s Jeswani & Rathore, Chartered Accountants

**Internal Auditors**

M/s Sarda & Pareek, Chartered Accountants

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## **NOTICE**

NOTICE is hereby given that the Eighty-ninth Annual General Meeting of the Members of Centbank Financial Services Limited will be held on Saturday, 29 September 2018 at 11.00 hours at Opal Room, Chandramukhi, 11<sup>th</sup> Floor, Nariman Point, Mumbai 400021 to transact the following business:

### **Ordinary Business:**

1. To receive, consider and adopt the financial statements for the financial year ended 31<sup>st</sup> March 2018 together with the Reports of the Auditors and Directors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri Satyanarayanan Krishnamurthy (DIN: 07822028), who retires by rotation under Section 152(6) of the Companies Act, 2013 (read with Article 155 of the Company's Articles of Association) and being eligible, offers himself for re-appointment.
4. To apprise the Members about the appointment of the Auditors of the Company as per Section 139(5) of the Companies Act, 2013 and authorise Chairman to fix their remuneration as per Section 142(1) of the said Act by passing following Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 142(1) of the Companies Act, 2013, the Chairman of the Company be and is hereby authorised to fix remuneration of Statutory Auditors of the Company appointed by the Comptroller & Auditor General of India under Section 139(5) of the said Act in respect of the financial year 2018-19."

### **Special Business:**

5. To consider and if thought fit, to pass with or without modification/s, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Bajrang Singh Shekhawat (DIN: 03267955), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 03 September 2018, and who holds office up to the date of this Annual General Meeting under Section 161(1) of the Companies Act, but who is eligible for appointment and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) the said Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification/s, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Umesh Kumar Maheshwari (DIN: 08001179), who was appointed as a Director in casual vacancy caused due to resignation of Shri Ramesh Lal Wadhwa, Managing Director of the Company, with effect from 20 December 2017, pursuant to the provisions of Section 161(4) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of Articles of Association of the Company and in respect of whom the Company has received a notice in writing along with the requisite deposit from a member as required under Section 160 of the Companies Act, 2013 signifying his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, who shall not be liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification/s, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Shri Umesh Kumar Maheshwari (DIN: 08001179) be and is hereby appointed as the Managing Director of the Company with effect from 20 December 2017 for a period of 3 years or till withdrawal of his nomination to the Company by Central Bank of India, whichever is earlier, at a Basic Salary of ₹ 66,070/- and allowances & perks as per the scale applicable to Assistant General Manager of Central Bank of India, and would be governed by Central Bank of India Officers' Service Regulations provided that such remuneration shall not exceed the ceiling prescribed in Schedule V of the Companies Act, 2013 as may be applicable from time to time.

RESOLVED FURTHER THAT Shri Umesh Kumar Maheshwari, Managing Director, shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be required to give effect to this resolution from time to time."

**By Order of the Board of Directors**

Place: Mumbai  
Date: 03 September 2018

  
HV Kamdar  
Company Secretary

**Registered Office:**

Central Bank of India- MMO Building, 3<sup>rd</sup> Floor (East Wing)  
55, Mahatma Gandhi Road, Fort  
Mumbai 400001

**NOTES:**

- (1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID, SHOULD BE DULY**

**COMPLETED, STAMPED AND SIGNED AND MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act as Proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights provided that a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

- (2) Register of Members and Share Transfer Books of the Company would remain closed from 24 September 2018 to 28 September 2018 (both days inclusive).
- (3) Dividend on Equity Shares, if declared at the Meeting, would be paid to those Members whose names appear on the Register of Members on 29 September 2018 within 15 days of declaration.

### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

#### **Item No. 4**

The Statutory Auditors of the Company are appointed every year by the Comptroller & Auditor General of India and in terms of the provisions of Section 142(1) of the Companies Act, 2013, the remuneration of the Auditors is to be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. For administrative convenience, it is proposed that the members may authorise the Chairman to fix the remuneration of Auditors.

The Directors recommend the resolution as set out at item No. 4 of the Notice for your approval.

None of the Directors, Key Managerial Personnel of your Company or relatives of Directors/Key Managerial Personnel are concerned or interested in the said Resolution at Item No.4 of the accompanying Notice.

#### **Item No. 5**

Pursuant to the provisions of Section 161(4) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Board of Directors, in its meeting held on 03 September 2018, had appointed Shri Bajrang Singh Shekhawat (DIN: 03267955) as Additional Director of the Company, and he holds the office of Director upto the date of this Annual General Meeting.

The Company has received a notice along with requisite deposit under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director.

Shri Bajrang Singh Shekhawat (DIN: 03267955), B Sc (Agri) (Honors), CAIIB, PG Certificate Course in Management (IIM-B), aged 56 years, has over 32 years' of experience in Banking. He is appointed as Executive Director in Central Bank of India. Looking at the business of Security Trusteeship and Debenture Trusteeship, his appointment is considered important for the Company. He has been nominated as Member of the Audit Committee and Corporate Social Responsibility Committee of the Company.

Shri Bajrang Singh Shekhawat is holding 1 Equity Share as nominee of Central Bank of India, and is not on the Board of any other company.

The Directors recommend the Ordinary Resolution for approval of members. Shri Bajrang Singh Shekhawat may be deemed to be concerned or interested in Item No.5 as it relates to his appointment as a Director of the Company. Other than him, none of the other Directors, Key Managerial Personnel of your Company and relatives of Directors / Key Managerial Personnel are in anyway concerned or interested in the said Resolution at Item No.5 of the accompanying Notice.

#### **Item No. 6**

Pursuant to the provisions of Section 161(4) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Board of Directors, in its meeting held on 20 December 2017, had appointed Shri Umesh Kumar Maheshwari (DIN: 08001179) with effective from the same date as Director to fill in casual vacancy, and he retires on the date of this Annual General Meeting. Subsequently, in the same meeting, Shri Umesh Kumar Maheshwari was appointed as Managing Director of the Company with effect from the same date for a period of three years on the terms and conditions of remuneration and services as set out in the resolution, subject to the approval of Members in General Meeting.

As per the terms of appointment of Shri Umesh Kumar Maheshwari, he is not liable to retire by rotation, except at the ensuing Annual General Meeting of the Company. The Company has also received a notice along with requisite deposit under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director. Hence, your Board recommends his appointment as Managing Director of the Company.

The Company has received a notice along with requisite deposit under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director.

Shri Umesh Kumar Maheshwari, M Com, MBA (Finance), CAIIB; aged 57 years, has over 34 years' of experience in Banking. He was working with Central Bank of India, and has wide experience in financial sector. Looking at the business of Security Trusteeship and Debenture Trusteeship, his appointment is considered important for the Company. He has been nominated as Member of the Investment Committee and Corporate Social Responsibility Committee of the Company.

Shri Umesh Kumar Maheshwari is holding 1 Equity Share as nominee of Central Bank of India, and is not on the Board of any other company.

The Directors recommend the Ordinary Resolution for approval of members. Shri Umesh Kumar Maheshwari may be deemed to be concerned or interested in Item Nos.6 and 7 as it relates to his appointment as a Director and Managing Director of the Company. Other than him, none of the other Directors, Key Managerial Personnel of your Company and relatives of Directors / Key Managerial Personnel are in anyway concerned or interested in the said Resolution at Item Nos.6 and 7 of the accompanying Notice.

**By Order of the Board of Directors**

Place: Mumbai  
Date: 03 September 2018

  
HV Kamdar  
Company Secretary

#### **Registered Office:**

Central Bank of India- MMO Building, 3<sup>rd</sup> Floor (East Wing)  
55, Mahatma Gandhi Road, Fort,  
Mumbai 400001



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## DIRECTORS' REPORT

To,  
The Members of  
Centbank Financial Services Ltd

Your Directors feel great pleasure in presenting 89<sup>th</sup> Annual Report of your Company comprising the Audited Financial Statements for the year ended 31<sup>st</sup> March 2018.

### FINANCIAL HIGHLIGHTS & PERFORMANCE

(Amount in ₹)

Sr.	Particulars	Current Year ended 31 <sup>st</sup> March 2018	Previous Year ended 31 <sup>st</sup> March 2017
1	<b>Revenue from Operations</b>		
	Fees from Executor & Trusteeship	34,85,414	36,97,765
	Fees from Debenture & Security Trusteeship	2,90,70,143	2,69,31,110
2	Other Income	2,81,65,842	3,34,61,936
3	<b>Total Income</b>	<b>6,07,21,398</b>	<b>6,40,90,811</b>
4	<b>Total Expenses</b>	<b>2,29,14,376</b>	<b>2,29,02,145</b>
5	<b>Profit Before Tax</b>	<b>3,78,07,022</b>	<b>4,11,88,666</b>
6	<b>Tax Expenses</b>		
	Current Tax	1,06,07,510	1,55,63,230
	Tax adjustments for earlier years	4,58,554	-
	Deferred Tax	8,60,783	(20,76,499)
7	<b>Profit After Tax</b>	<b>2,58,80,176</b>	<b>2,77,01,935</b>
8	Rate of Proposed Dividend	40%	40%
9	Proposed Dividend	2,00,00,000	2,00,00,000
10	Tax on Dividend	41,11,060	40,72,000
11	<b>Transfer to General Reserve</b>	<b>10,00,000</b>	<b>25,00,000</b>
12	<b>Amount of Reserves &amp; Surplus in the Balance Sheet</b>	<b>32,41,66,550</b>	<b>29,82,86,375</b>

### DIVIDEND

The Company's overall performance during the year under review was satisfactory. Your Directors have pleasure in recommending payment of dividend of ₹ 400/- (40%) per share on the Company's Share Capital [previous year ₹ 400/- (40%) per share]. This will absorb total cash outflow of ₹ 2,41,11,060/- (previous year ₹ 2,40,72,000/-) including Corporate Dividend Distribution Tax of ₹ 41,11,060/- (previous year ₹ 40,72,000/-). The proposed dividend is from current year's profits, and in accordance with the 'Investment Management of CPSEs – Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs)' issued by the Central Government.

**SHARE CAPITAL OF THE COMPANY**

The paid up equity share capital of your Company is ₹ 5,00,00,000/- (Rupees Five Crore only) divided into 50,000 Equity shares of the face value of ₹ 1,000/- (Rupee One Thousand Only) each fully paid up.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**HOLDING, SUBIDIARY AND ASSOCIATE COMPANIES**

Your Company is a subsidiary of Central Bank of India. Your Company did not have any subsidiary or associate company during the financial year.

**PUBLIC DEPOSITS:**

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

**EXTRACT OF ANNUAL RETURN:**

An extract of Annual Return in Form MGT 9 is appended to this Report as **Annexure A**.

**DIRECTORS AND KMP**

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Articles of Association of the Company, Shri Satyanarayanan Krishnamurthy (DIN: 07822028), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and your Board recommends his re-appointment.

Shri Umesh Kumar Maheshwari (DIN: 08001179) was appointed as Director to fill casual vacancy caused due to resignation of Shri RL Wadhwa, on 20 December 2017, and he retires by rotation at the 89<sup>th</sup> Annual General Meeting. Shri Bajrang Singh Shekhawat (DIN: 03267955) was appointed as Additional Director on 03 September 2018, and he holds the Office till the date of 89<sup>th</sup> Annual General Meeting. The Company has received notices along with requisite deposit under Section 160 of the Companies Act 2013 proposing their candidature for the office of Director; and accordingly, your Board recommends their appointment as Director of the Company. Shri Umesh Kumar Maheshwari was also appointed as Managing Director w.e.f. 20 December 2017 for a period of 3 years.

Directors, Shri Ram Niwas Syndolia (DIN: 07629572), Shri Ramesh Lal Wadhwa (DIN: 07177597) (also Managing Director) and Shri Rajendra Nivrutti Hirve (DIN: 07870390) resigned w.e.f. 01 July 2017, 01 November 2017 and 01 May 2018 respectively. The Board expresses its appreciation for their active participation in the Board Meetings and Committee Meetings with valuable contributions, suggestions, guidance and service rendered by them during their association with the Company.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3)(c) of the Companies Act, 2013 state that:

- a. that in the preparation of the annual accounts for the year ended 31 March 2018, the applicable accounting standards have been followed;
- b. that such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and

fair view of the state of affairs of the Company as at 31 March 2018 and of the profit for the year ended on that date;

- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts have been prepared on a going concern basis;
- e. that the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and are operating effectively; and
- f. the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY**

Your Company has devised an internal control across various functions and the same is reviewed by the Statutory Auditors and Internal Auditors. 'Maker-Checker' concept is incorporated in each transaction entered in the system. All payments are subject to pre-authorisation.

#### **RISKS AND AREAS OF CONCERN**

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risk. The Board reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The company has constituted Corporate Social Responsibility Committee, which framed Corporate Social Responsibility Policy, and the same has been approved by the Board.

Corporate Social Responsibility Committee comprised of the following Directors as its Members as on 31 March 2018:

1. Shri K Raghuraman, Chairman
2. Shri R N Hirve, Member
3. Shri U K Maheshwari, Member

An amount of ₹ 48,73,000/- has been contributed/donated to the Prime Minister's National Relief Fund in respect of the preceding years' CSR activities. The provisions governing Corporate Social Responsibility are not applicable in the year under review.

The Corporate Social Responsibility Policy of the Company has been displayed on the Company's website ([www.cfsl.in](http://www.cfsl.in)). Annual Report and the Annual Return will also be displayed on the said website.

#### **SECRETARIAL AUDIT**

Provisions regarding Secretarial Audit are not applicable to your Company.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT 2013**

All Related Party Transactions entered during the year were in Ordinary Course of the Business and not on Arm's Length basis, as specified in the audited statement of accounts. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover or of net worth as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act, 2013 in Form AOC-2 is not applicable.



### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Your Company has not given Loan or Guarantee during the year; and details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on company's operations in future.

### **MEETINGS OF THE BOARD:**

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other businesses.

The notice of Board meeting is given well in advance to all the Directors of the Company 7 days prior to the date of the meeting. The agenda for the Board and Committee meetings are also circulated in advance, that include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. In one instance, the Directors/Members of Committees gave consent to hold the Meetings at shorter notice.

The Board met Four (4) times during the year on 22 May 2017, 23 August 2017, 20 December 2017 and 13 March 2018; and the intervening gap between the two consecutive Meetings was within the period prescribed under the Companies Act, 2013.

Particulars of Directors' attendance at Board Meetings are appended to this Report in **Annexure B**.

### **COMMITTEES OF THE BOARD**

As on 31 March 2018, the Company had three Committees, the details of which are as under:

#### **(i) AUDIT COMMITTEE**

As per the provisions of the Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the Company is not required to constitute an Audit Committee. However, the Company has an Audit Committee. The Audit Committee of the Company reviews the reports to be submitted with the Board of Directors with respect to auditing and accounting matters.

The Audit Committee met Four (4) times during the year: 22 May 2017, 23 August 2017, 20 December 2017 and 13 March 2018.

As on 31 March 2018, the Audit Committee comprised of Shri K Raghuraman, Shri K Satyanarayanan, and Shri RN Hirve, Directors.

Shri K Raghuraman is the Chairman of Audit Committee of the Company. Shri HV Kamdar, Company Secretary of the Company, acts as Secretary of the Audit Committee.

#### **(ii) INVESTMENT COMMITTEE**

Investment Committee formalises the framework for Company's investment activities to be exercised to ensure effective and judicious fiscal and investment management of the funds.

The Investment Committee met on 20 December 2017.

As on 31 March 2018, the Investment Committee comprised of Shri B K Divakara, Shri K Satyanarayanan and Shri UK Maheshwari.

Shri B K Divakara is the Chairman of Investment Committee of the Company. Shri HV Kamdar, Company Secretary of the Company, acts as Secretary of the Investment Committee.

**(iii) CSR COMMITTEE:**

Corporate Social Responsibility Committee formulated and recommended to the Board, a Corporate Social Responsibility Policy which indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013; and recommend the amount of expenditure to be incurred on the CSR activities; and monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Corporate Social Responsibility Committee met twice on 22 May 2017 and 23 August 2017.

As on 31 March 2018, the Corporate Social Responsibility Committee comprised of Shri K Raghuraman, Shri RN Hirve and Shri UK Maheshwari.

Shri K Raghuraman is the Chairman of Corporate Social Responsibility Committee of the Company. Shri HV Kamdar, Company Secretary of the Company, acts as Secretary of the Corporate Social Responsibility Committee.

Particulars of Members' attendance at the said three Committees' Meetings are appended to this Report in **Annexure B**.

**PARTICULARS OF REMUNERATION**

During the year under review there were no employees drawing the remuneration in excess of the limit prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, no particulars in this regard are furnished in the Report.

**AUDITORS**

Under section 139(5), M/s Jeswani & Rathore, Chartered Accountants, Mumbai, were appointed as the Statutory Auditors of your Company for the financial year 2017-18 by the Comptroller and Auditor General of India.

For the financial year 2018-19, the Comptroller and Auditor General of India has re-appointed the same firm as the Statutory Auditors of your Company.

Your Company had appointed M/s Sarda & Pareek, Chartered Accountants, as the Internal Auditors for the year 2017-18, and reappointed for the year 2018-19.

**INSURANCE**

The insurable interests of the Company are adequately covered.

**INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said Committee.

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

The business operation of your Company is not energy intensive. However, sufficient measures have been taken to minimize the energy consumption. Since Company is engaged in the service industry, the details regarding Energy Conservation, Technology Absorption are not furnished.

There was no Foreign Exchange earnings and outgo during the financial year under review.

**ACKNOWLEDGEMENT**

Your Directors wish to thank all the stakeholders of the Company for their continued support and cooperation and employees for their dedication and the excellence they have displayed in conducting the operations. Your Directors wish to place on record their gratitude for the faith reposed in the Company by the Securities and Exchange Board of India and other regulators.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Place: Mumbai  
Date: 03 September 2018

  
**B K Divakara**  
**DIN: 06439053**  
**Chairman**



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## Annexure to Directors' Report

### Annexure A EXTRACT OF ANNUAL RETURN

Form No. MGT-9  
(As on the financial year ended on 31<sup>st</sup> March 2018)

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

#### I. REGISTRATION AND OTHER DETAILS:

1	CIN	U67110MH1929GOI001484
2	Registration Date	1 <sup>st</sup> May 1929
3	Name of the Company	Centbank Financial Services Limited
4	Category/Sub-Category of the Company	Union Government Company limited by shares
5	Address of Registered Office and contact details	Central Bank - MMO Bldg, 3rd Floor (East Wing) 55 MG Road, Fort Mumbai 400001 Landline: (022) 2261 6217 Fax: (022) 2261 6208 e-mail: info@cfsl.in / dts@cfsl.in
6	Whether listed Company (Yes/No):	No
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr	Name and Description of Main Product/Services	NIC Code of the Product	% to total turnover of the company
1	Debenture Trustee & Security Trustee	66190	89.29
2	Executor & Trusteeship	64300	10.71

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares	Applicable Section
1	Central Bank of India & its Nominees Chandermukhi Nariman Point Mumbai 400021	NA	Holding Company	100	2(87)(ii)

#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Share Holding:

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
1. Indian									
a. Individual/ HUF	-	-	-	-	-	-	-	-	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	-	-	-	-	-
e. Bank/ FI	-	50,000	50,000	100	-	50,000	50,000	100	-
f. Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):</b>	<b>-</b>	<b>50,000</b>	<b>50,000</b>	<b>100</b>	<b>-</b>	<b>50,000</b>	<b>50,000</b>	<b>100</b>	<b>-</b>
2. Foreign									
a. NRI- Individual	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/ FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Share Holding of Promoters A (1+2)</b>	<b>-</b>	<b>50,000</b>	<b>50,000</b>	<b>100</b>	<b>-</b>	<b>50,000</b>	<b>50,000</b>	<b>100</b>	<b>-</b>

<b>B. Public Shareholding</b>									
1. Institution									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank/FI	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i. Others	-	-	-	-	-	-	-	-	-
<b>Sub-total B (1)</b>	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a. Body Corp.	-	-	-	-	-	-	-	-	-
i. Indian									
ii. Overseas									
b. Individual	-	-	-	-	-	-	-	-	-
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c. Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total B (2)</b>	-	-	-	-	-	-	-	-	-

<b>Total Public Shareholding (B) = B(1)+B(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodians for GDRs and ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100</b>	-

**ii. Shareholding of Promoters and Promoters group:**

Sr.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	
1	Central Bank of India and its Nominees	50,000	100	-	50,000	100	-	-
	<b>Total</b>	<b>50,000</b>	<b>100</b>	<b>-</b>	<b>50,000</b>	<b>100</b>	<b>-</b>	<b>-</b>

**iii. Change in Promoters' Shareholding (please specify, if there is change):**

Sr.	Promoters' Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>1</b>	<b>Central Bank of India</b>				
A	At the beginning of year	50000	100	-	-
B	Changes during the year	No change			
C	At the end of year	50000	100	50000	100

**iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):** NIL

**v. Shareholding of Directors and Key Managerial Personnel:**

Sr.	For Each of the Directors and KMP		Shareholding at the beginning of the year		Cumulative shareholding during the year	
	Name of the Director/KMP		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri B K Divakara j/w Central Bank of India					
A	At the beginning of the year		1	0.002	-	0.002
B	Changes during the year		Nil	-	-	-
C	At the end of year		1	0.002	<b>1</b>	<b>0.002</b>
2.	Shri R N Hirve (since ceased) j/w Central Bank of India					
A	At the beginning of the year		-	-	-	-
B	Changes during the year					
	Date	Reason				
	23/08/2017	Transfer	1	0.002	1	0.002
C	At the end of year		1	0.002	<b>1</b>	<b>0.002</b>
3.	Shri U K Maheshwari (after 31/03/2018) j/w Central Bank of India					
A	At the beginning of the year		-	-	-	-
B	Changes during the year					
	Date	Reason				
	03/09/2018	Transfer	1	0.002	1	0.002
C	At the end of year		1	0.002	<b>1</b>	<b>0.002</b>
4.	Shri B S Shekhawat (after 31/03/2018) j/w Central Bank of India					
A	At the beginning of the year		-	-	-	-
B	Changes during the year					
	Date	Reason				
	03/09/2018	Transfer	1	0.002	1	0.002
C	At the end of year		1	0.002	<b>1</b>	<b>0.002</b>

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment  
(Amount in ₹)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.2016	-	-	-	-
1) Principal Amount	-	-	-	-
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
<b>Total of (1+2+3)</b>	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
+ Addition	-	-	-	-



-Reduction	-	-	-	-
<b>Net change</b>	-	-	-	-
Indebtedness at the end of the financial year 31.03.2017	-	-	-	-
1) Principal Amount	-	-	-	-
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
<b>Total of (1+2+3)</b>	-	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:(1)

Sr.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (in ₹)
		Managing Director Shri RL Wadhwa (upto 31 October 2017)	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	8,11,783	8,11,783
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - As % of Profit - Others, specify	-	-
5.	Others, please specify	-	-
	Total	8,11,783	8,11,783
	Ceiling as per the Act	5% of the net profits of the Company	

(2)

Sr.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (in ₹)
		Managing Director Shri UK Maheshwari (from 20 Dec 2017)	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	4,07,431	4,07,431
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-

4.	Commission - As % of Profit - Others, specify	-	-
5.	Others, please specify	-	-
	Total	4,07,431	4,07,431
	Ceiling as per the Act	5% of the net profits of the Company	

**Remuneration of other directors:**

Sr.	Particulars of Remuneration	Name of Directors	Total Amount ₹
1	<b>Other Non-Executive Directors</b>	Shri K Raghuraman	
	- Fee for attending Board and Committee meetings	1,40,000	1,40,000
	- Commission	-	-
	- Others	-	-
	<b>Total</b>	<b>1,40,000</b>	<b>1,40,000</b>

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

Sr.	Particulars of Remuneration	Name of the KMP	Total Amount ₹
		Shri HV Kamdar, Company Secretary	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	12,05,960	12,05,960
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - As % of Profit - Others, specify	-	-
5.	Others, please specify	-	-
	Total	12,05,960	12,05,960

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:** None**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**Place: Mumbai  
Date: 03 September 2018*re-washed***B K Divakara**  
**DIN: 06439053**  
**Chairman**



## Annexure to Directors' Report

### Annexure B

**Attendance of Directors at the Board Meetings** held on 22 May 2017, 23 August 2017, 20 December 2017 and 13 March 2018 **and last Annual General Meeting:**

Name of Director	Number of Board Meetings held during their tenure in 2017-18	Number of Board Meetings attended by Director during 2017-18	Whether attended last (88 <sup>th</sup> ) Annual General Meeting held on 25 Sept 2017
Shri B K Divakara (Chairman)	4	3	Yes
Shri K Raghuraman	4	4	Yes
Shri R N Syndolia (upto 30 June 2017)	1	1	Not Applicable
Shri K Satyanarayanan (from 15 May 2017)	4	4	Yes
Shri R L Wadhwa (Managing Director, upto 31 October 2017)	2	2	Yes
Shri R N Hirve (from 23 August 2017)	3	3	Yes
Shri U K Maheshwari (Managing Director, from 20 December 2017)	2	2	Not Applicable

**Attendance of Members at the Audit Committee Meetings** held on 22 May 2017, 23 August 2017, 20 December 2017 and 13 March 2018:

Name of Member	Number of Audit Committee Meetings held during their tenure in 2017-18	Number of Audit Committee Meetings attended by Member during 2017-18
Shri K Raghuraman (Chairman)	4	4
Shri R N Syndolia (upto 30 June 2017)	1	1
Shri K Satyanarayanan (from 15 May 2017)	4	4
Shri R N Hirve (from 23 August 2017)	2	2

**Attendance of Members at the Investment Committee Meeting** held on 20 December 2017:

Name of Member	Number of Investment Committee Meetings held during their tenure in 2017-18	Number of Investment Committee Meetings attended by Member during 2017-18
Shri B K Divakara (Chairman)	1	1
Shri K Satyanarayanan	1	1
Shri U K Maheshwari	1	1

**Attendance of Members at the Corporate Social Responsibility Committee Meeting** held on 22 May 2017 and 23 August 2017:

Name of Member	Number of Corporate Social Responsibility Committee Meetings held during their tenure in 2017-18	Number of Corporate Social Responsibility Committee Meetings attended by Member during 2017-18
Shri K Raghuraman (Chairman)	2	2
Shri R N Syndolia	1	1
Shri R N Hirve	1	1
Shri R L Wadhwa	2	2

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Place: Mumbai  
Date: 03 September 2018

*B K Divakara*

**B K Divakara**  
**DIN: 06439053**  
**Chairman**

# JESWANI & RATHORE

## CHARTERED ACCOUNTANTS

408/C, NIRANJAN, 99, MARINE DRIVE, MUMBAI-400 002  
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### Independent Auditor's Report

To the Members of  
Centbank Financial Services Limited,  
Central Bank of India- MMO Bldg,  
3rd Floor (East Wing), 55 MG Road,  
Fort, Mumbai - 400 001

#### 1. Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **Centbank Financial Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flow statement for the year ended March 31, 2018, and a summary of significant accounting policies and other explanatory information.

#### 2. Management's Responsibility for the Standalone Financial Statements

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

#### 3. Auditor's Responsibility

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

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



# JESWANI & RATHORE

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

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

Except for the effects of the matter described in Emphasis of Matters paragraph below, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Emphasis of Matters paragraph below, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### 5. Emphasis of Matters

We draw attention to the following matters in the Notes to the standalone financial statements:



# JESWANI & RATHORE

## CHARTERED ACCOUNTANTS

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- a) The Company has not transferred or allocated dividend, interest and other corporate benefits received over a period of time from various companies/ undertakings, amounting to Rs. 1,42,54,734/- to the trusts/beneficiaries, on whose behalf the investment portfolios are held under trusteeship services. The said amount stood at Rs. 1,32,91,143/- as on March 31, 2017 and has increased to Rs. 1,42,54,734/- as on March 31, 2018.

Similarly, the Company has not transferred or allocated sales/redemption proceeds of shares/ debentures amounting to Rs. 15,88,138 to the respective trust/beneficiary. The same is outstanding since 2005-06.

The company has kept the above funds in current account with its bank.

- b) Note 20(IX) - Information pertaining to compensation and some charges  
c) Note 20(XIV)- Information pertaining to Unreconciled Balance of Rs. 4,10,246/-

### 6. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - a) Except for the effects of the matter described in Emphasis of Matters paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) Except for the effects of the matter described in Emphasis of Matters paragraph above, 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) Except for the effects of the matter described in Emphasis of Matters paragraph above, in our opinion, the standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



# JESWANI & RATHORE

## CHARTERED ACCOUNTANTS

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- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- ii. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 20(VII) to the standalone financial statements;
  - iii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 20(VIII) to the standalone financial statements;
  - iv. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

For Jeswani & Rathore  
Chartered Accountants  
(FRN: 104202W)

*SS Rasal*

Sangeeta S Rasal  
(Partner)  
M. No. : 137789



Place: Mumbai  
Date: May 15, 2018



# JESWANI & RATHORE

## CHARTERED ACCOUNTANTS

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### Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2018, we report that:

**1. In respect of its Fixed assets:**

- 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 as at March 31, 2018 and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

**2. In respect of its inventories:**

The Company is a service company, primarily rendering financial services. Accordingly, it does not carry any inventory and hence this clause is not applicable to the company.

3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses 3(a), 3(b) and 3(c) of the order are not applicable to the Company.
4. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not given loans, provided guarantees and securities, hence the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.

According to the information and explanations given to us and on the basis of our examination of the books of account the Company has made investments of Rs 1.50 Crore and the provisions of section 186 of the Companies Act, 2013 have been complied with.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and accordingly the provisions contained in the Sections



# JESWANI & RATHORE

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73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable to the Company in this regards.

6. To the best of our knowledge and according to the explanations given to us, the Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company and hence this clause is not applicable to the Company.
7. **In respect of statutory dues:**
  - a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues with the appropriate authorities, wherever applicable. According to the information and explanation given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31<sup>st</sup> March 2018 for a period of more than 6 months from the date they became payable.
  - b) According to the information and explanations given to us and records examined by us, there are no disputed dues of Income Tax/Sales Tax/Service Tax/Customs Duty/Excise Duty/Value Added Tax/Cess.
8. According to the information and explanations given to us and based on the records made available to us, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year.
9. According to the information and explanations given to us and based on the records made available to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
10. During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by or on the company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid managerial remuneration to managerial personnel in accordance with the requisite approvals mandated by the provisions of sections 197 read with schedule V to the Companies Act, 2013.



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# JESWANI & RATHORE

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12. In our opinion and according to the explanations give to us, the company is not a nidhi Company and therefore, the provisions of this clause of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
16. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Jeswani & Rathore  
Chartered Accountants  
(FRN: 104202W)

*SSRasal*

Sangeeta S Rasal  
(Partner)  
M. No. : 137789



Place: Mumbai  
Date: May 15, 2018

# JESWANI & RATHORE

## CHARTERED ACCOUNTANTS

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### Annexure - B to the Auditors' Report

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

#### 1. Report on internal financial controls over financial reporting

We have audited the internal financial controls over financial reporting of **Centbank Financial Services Limited** ("the Company") as of 31<sup>st</sup> March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### 2. Management's Responsibility for Internal Financial Controls

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

#### 3. Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of



# JESWANI & RATHORE

## CHARTERED ACCOUNTANTS

408/C, NIRANJAN, 99, MARINE DRIVE, MUMBAI-400 002  
TEL NO. +91 22 22834451/22816968 FAX. +91 22 22819435  
Email ID: [jeswani\\_rathore@vsnl.net](mailto:jeswani_rathore@vsnl.net)

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internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

Except for the effects of the matter described in Emphasis of Matters paragraph in Independent Audit Report, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### 4. Meaning of Internal Financial Controls over Financial Reporting

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

#### 5. Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### 6. Opinion

In our opinion, the Company has, in all material respects except for the effects of the matter described in Emphasis of Matters paragraph in Independent Audit Report, an adequate internal



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# JESWANI & RATHORE

## CHARTERED ACCOUNTANTS

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financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jeswani & Rathore  
Chartered Accountants  
(FRN: 104202W)

*SSRasal*

Sangeeta S Rasal  
(Partner)  
M. No. : 137789



Place: Mumbai  
Date: May 15, 2018

# JESWANI & RATHORE

## CHARTERED ACCOUNTANTS

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408/C, NIRANJAN, 99, MARINE DRIVE, MUMBAI-400 002  
TEL NO: +91 22816968/34451, FAX: +91 22819435  
Email: jeswani\_rathore@vsnl.net

### AUDITORS REPORT ON DIRECTIONS/SUB-DIRECTIONS FOR THE YEAR 2017-18

We have completed the Statutory Audit of **Centbank Financial Services Limited** and our views/comments on the Directions/Sub-Directions in respect of accounts for the year ended March 31, 2018 are as below:

**1. In respect of its freehold and leasehold assets:**

The Company does not own any freehold and leasehold assets during the period hence this clause is not applicable to the Company.

**2. Waiver/Write off of debts/loans/interest etc.:**

There are no cases of waiver of debt/loans/interest.

**3. Maintenance of records for inventory and assets:**

The Company does not have inventories lying with third parties and assets received as gift/grant(s) from Govt. and other authorities and hence this clause is not applicable to the Company.

Place: Mumbai  
Date: 15/05/2018



For Jeswani & Rathore  
Chartered Accountants  
F.R.N.:104202W

*SS Rasal*

Sangeeta S Rasal  
(Partner)  
M. No: 137789

भारतीय लेखापरीक्षा तथा लेखा विभाग  
कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा  
तथा पदेन सदस्य, लेखापरीक्षा बोर्ड - I, मुंबई



31  
INDIAN AUDIT & ACCOUNTS DEPARTMENT  
OFFICE OF THE PRINCIPAL DIRECTOR OF  
COMMERCIAL AUDIT & EX-OFFICIO MEMBER,  
AUDIT BOARD-I, MUMBAI

गोपनीय/शीघ्र डाक

संख्या: जी ए/सी ए।/सेंटबैंक फाइनेंसियल/लेखा/2017-18/93

सेवा में,

24 JUL 2018

प्रबंध निदेशक

सेंटबैंक फाइनेंसियल सर्विसेज लिमिटेड

3<sup>rd</sup> floor (East Wing).

Central Bank of India MMO Building,

55, M.G.Road, Fort,

Mumbai 400 001

विषय: 31 मार्च 2018 को समाप्त वर्ष हेतू सेंटबैंक फाइनेंसियल सर्विसेज लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143(6)(बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिपणियाँ।

महोदय,

31 मार्च 2018 को समाप्त वर्ष हेतू सेंटबैंक फाइनेंसियल सर्विसेज लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143(6)(बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक के द्वारा दी गई टिपणियाँ इस पत्र के साथ संलग्न हैं। टिपणियों को मुद्रित वार्षिक प्रतिवेदन के विषयसूची में उचित संकेत सहित सांविधिक लेखापरीक्षक के प्रतिवेदन के आगे रखा जाये।

वार्षिक सामान्य बैठक के समापन के पश्चात, वित्तीय विवरणों, सांविधिक लेखापरीक्षक का प्रतिवेदन तथा भारत के नियंत्रक एवं महालेखापरीक्षक की टिपणियों को अपनाते हुए सामान्य वार्षिक बैठक की कार्यवाही की एक प्रतिलिपि इस कार्यालय को अविलंब अग्रेषित की जाए। मुद्रित वार्षिक रिपोर्ट की दस प्रतियाँ भी इस कार्यालय को भेजी जायें।

कृपया इस पत्र एवं संलग्नों की प्राप्ति की सूचना दें।

भवदीया,

(रूप राशि)

प्रधान निदेशक वाणिज्यिक लेखापरीक्षा तथा  
पदेन सदस्य, लेखापरीक्षा बोर्ड -I, मुंबई

संलग्न: यथोपरि।



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF CENTBANK FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2018**

The preparation of financial statements of Centbank Financial Services Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 15 May 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Centbank Financial Services Limited for the year ended 31 March 2018. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

For and on the behalf of the  
Comptroller and Auditor General of India



(Roop Rashi)

Principal Director of Commercial Audit and  
ex-officio Member, Audit Board-I, Mumbai

Place : Mumbai  
Date : 24 July 2018

## CENTBANK FINANCIAL SERVICES LIMITED

CIN: U67110MH1929GOI001484

Registered Office: Central Bank of India- MMO Bldg, 3rd Floor (East Wing), 55 MG Road, Fort, Mumbai - 400 001

## BALANCE SHEET AS AT 31st MARCH, 2018

Particulars	Note No.	Amount in Rs.	
		As at 31st March 2018	As at 31st March 2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	5,00,00,000	5,00,00,000
(b) Reserves and Surplus	2	32,41,66,550	29,82,86,375
<b>(2) Non-Current Liabilities</b>			
(a) Other long term liabilities	3	60,35,188	74,53,941
(b) Long-term provisions	4	3,71,944	2,44,857
<b>(3) Current Liabilities</b>			
(a) Other current liabilities	5	4,91,43,781	5,91,27,593
(b) Short-term Provisions	6	1,07,49,973	2,49,88,520
<b>TOTAL</b>		<b>44,04,67,436</b>	<b>44,01,01,286</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	7		
(i) Tangible Assets		2,18,087	4,19,681
(ii) Intangible Assets		2,08,975	2,08,975
(b) Non-current investments	8	1,50,03,000	3,000
(c) Deferred tax assets (net)	9	56,74,364	65,35,147
(d) Other non-current assets	10	-	82,000
<b>(2) Current Assets</b>			
(a) Trade Receivables	11	26,34,382	11,30,346
(b) Cash and cash equivalents	12	37,84,15,189	38,80,34,624
(c) Short-term loans and advances	13	3,82,31,439	4,36,05,513
(d) Other current assets	14	82,000	82,000
<b>TOTAL</b>		<b>44,04,67,436</b>	<b>44,01,01,286</b>

Significant accounting policies and Notes forming part of the financial statements

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As per our report on even date

For and on behalf of the Board of Directors

For **Jeswani & Rathore**  
Chartered Accountants  
(FRN: 104202W)

*SS Rasal*



(Sangeeta S Rasal)  
Partner  
Mem. No. 137789  
Place : Mumbai  
Date : 15th May, 2018

*(B K Divakara)*

(B K Divakara)  
Chairman  
DIN: 06439053

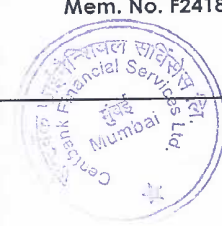
*(U K Maheshwari)*







(U K Maheshwari)  
Managing Director  
DIN: 08001179





*(H V Kamdar)*

(H V Kamdar)  
Company Secretary  
Mem. No. F2418

Place : Mumbai  
Date : 15th May, 2018

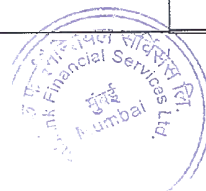


CENTBANK FINANCIAL SERVICES LIMITED CIN: U67110MH1929GOI001484 Registered Office: Central Bank of India- MMO Bldg, 3rd Floor (East Wing), 55 MG Road, Fort, Mumbai - 400 001			
PROFIT & LOSS FOR YEAR ENDED 31ST MARCH, 2018			
Amount in Rs.			
Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I. Revenue from operations	15	3,25,55,557	3,06,28,875
II. Other Income	16	2,81,65,842	3,34,61,936
<b>III. Total Income</b>		<b>6,07,21,398</b>	<b>6,40,90,811</b>
<b>IV. Expenses:</b>			
Operating & Administrative Expenses	17	1,29,35,971*	1,22,49,887
Employee Benefit Expenses	18	97,06,935	96,42,111
Depreciation and Amortization Expenses	19	2,71,471	10,10,147
<b>IV. Total Expenses</b>		<b>2,29,14,376</b>	<b>2,29,02,145</b>
<b>V. Profit / (Loss) before tax</b>	( III - IV )	<b>3,78,07,022</b>	<b>4,11,88,666</b>
<b>VI. Tax expense:</b>			
(1) Current tax		1,06,07,510	1,55,63,230
(2) Deferred tax		8,60,783	(20,76,499)
(3) Prior year tax expense		4,58,554	-
		<b>1,19,26,846</b>	<b>1,34,86,731</b>
<b>VII. Profit(Loss) for the period</b>	( V-VI )	<b>2,58,80,176</b>	<b>2,77,01,935</b>
<b>VIII. Earnings per share</b>			
Equity shares of par value of Rs 1000/- each			
(a) Basic		517.60	554.04
(a) Diluted		517.60	554.04
<b>Significant accounting policies and Notes forming part of the financial statements</b>		20 & 21	
* This includes special item of contribution towards CSR of Rs. 48,73,000/- pertaining to earlier years. Otherwise total expense for the period would have been Rs. 80,62,971/-.			
As per our report on even date <b>For Jeswani &amp; Rathore</b> Chartered Accountants (FRN: 104202W)		<b>For and on behalf of the Board of Directors</b>	
 		 <b>(B K Divakara)</b> Chairman DIN: 06439053	
<b>(Sangeeta S Rasal)</b> Partner Mem. No. 137789 Place : Mumbai Date : 15th May, 2018		 <b>(U K Maheshwari)</b> Managing Director DIN: 08001179	
		 <b>(H V Kamdar)</b> Company Secretary Mem. No. F2418	
		Place : Mumbai Date : 15th May, 2018	
			

CENTBANK FINANCIAL SERVICES LIMITED CIN: U67110MH1929GOI001484 Registered Office: Central Bank of India- MMO Bldg, 3rd Floor (East Wing), 55 MG Road, Fort, Mumbai - 400 001		
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018		
Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
<b>A. Cash Flow From Operating Activities</b>		
Net Profit before Tax & Extraordinary items	3,78,07,022	4,11,88,666
Add:		
1) Depreciation	1,89,471	9,28,147
2) Preliminary Expenses	82,000	82,000
3) (Profit)/Loss on Sale of Assets (Net)	(376)	1,65,150
4) Dividend Received	(1,70,977)	(14,250)
5) Interest Received	(2,73,56,199)	(3,02,88,904)
	(2,72,56,081)	2,91,27,857
<b>Operating Profit before Working Capital Changes</b>	<b>1,05,50,941</b>	<b>1,20,60,809</b>
Adjustments for working capital changes:		
(Increase) / Decrease in Trade Recievables	(15,04,036)	41,83,521
(Increase) / Decrease in Other Recievables	1,78,27,828	2,56,63,031
Increase / (Decrease) in Short Term Provisions	1,40,983	(66,576)
Increase / (Decrease) in Other Liabilities	(1,14,02,565)	(93,10,618)
(Increase)/Decrease in Working Capital	50,62,210	2,04,69,358
Cash Generated From Operations	1,56,13,151	3,25,30,168
Less: Direct Taxes Paid	(1,37,00,262)	1,47,75,277
<b>(A)</b>	<b>19,12,889</b>	<b>1,77,54,891</b>
<b>B. Cash Flow From Investing Activities</b>		
Investment in Mutual Fund	(1,50,00,000)	-
Purchase of Fixed Assets	-	(17,899)
Sale of Fixed Assets	12,500	1,06,824
Interest Received	2,73,56,199	3,02,88,904
Dividend Received	1,70,977	14,250
<b>(B)</b>	<b>1,25,39,676</b>	<b>3,03,92,079</b>
<b>C. Cash Flow From Financing Activities</b>		
Dividends Tax paid	(40,72,000)	(1,01,78,825)
Dividend paid	(2,00,00,000)	(5,00,00,000)
<b>(C)</b>	<b>(2,40,72,000)</b>	<b>(6,01,78,825)</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(96,19,435)</b>	<b>(1,20,31,854)</b>
Opening Balance	38,80,34,624	40,00,66,478
Closing Balance	37,84,15,189	38,80,34,624
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(96,19,435)</b>	<b>(1,20,31,854)</b>
Notes:-		
1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement issued by ICAI.		
2) Previous year figures have been regrouped/rearranged to conform to those of current years		
As per our report on even date	For and on behalf of the Board of Directors	
<b>For Jeswani &amp; Rathore</b>		
Chartered Accountants (FRN: 104202W)	<b>(B K Divakara)</b> Chairman DIN: 06439053	
		
<b>(Sangeeta S Rasal)</b> Partner Mem. No. 137789 Place : Mumbai Date : 15th May, 2018	<b>(U K Maheshwari)</b> Managing Director DIN: 08001179	
		
	<b>(H V Kamdar)</b> Company Secretary Mem. No. F2418	
	Place : Mumbai Date : 15th May, 2018	



CENTBANK FINANCIAL SERVICES LIMITED			
Notes forming part of the financial statements			
Amount in Rs.			
Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017
	<b>Note 1 : Share Capital</b>		
1	<b>AUTHORIZED CAPITAL</b> 1,00,000 Equity Shares of Rs. 1000/- each.	10,00,00,000	10,00,00,000
		<b>10,00,00,000</b>	<b>10,00,00,000</b>
2	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> <b>To the Subscribers of the Memorandum</b> 50000 Equity Shares of Rs. 1000/- each <b>Paid up Share capital by allotment</b> 50000 Equity Shares of Rs. 1000/- each, Fully Paid Up	5,00,00,000	5,00,00,000
		<b>5,00,00,000</b>	<b>5,00,00,000</b>
entitled to one vote per share.			
Details of shares held by each shareholder holding more than 5% shares:			
	<b>Name of the shareholder</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
	Central Bank of India and its nominees	50,000	50,000
	Percentage of shareholding	100%	100%
The reconciliation of the number of shares outstanding is set out below:			
	<b>Particulars</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	Number of shares at the beginning	50,000	50,000
	Add: Allotment of Equity Shares	-	-
	Number of shares at the end	50,000	50,000
	<b>Note 2 : Reserves and Surplus</b>		
1	<b>General Reserve</b> Balance brought forward from previous year Add: Retained earnings Add: Transfer from Profit & Loss account	2,90,00,000 - 10,00,000	2,65,00,000 - 25,00,000
		<b>3,00,00,000</b>	<b>2,90,00,000</b>
2	<b>Surplus in the Statement of Profit and Loss</b> Balance brought forward from previous year Add: Profit for the period Less: Proposed Dividend Less: Provision for Dividend Distribution Tax Less: Transfer to General Reserve	26,92,86,375 2,58,80,176 - - (10,00,000)	26,81,56,440 2,77,01,935 (2,00,00,000) (40,72,000) (25,00,000)
		<b>29,41,66,550</b>	<b>26,92,86,375</b>
		<b>32,41,66,550</b>	<b>29,82,86,375</b>



CENTBANK FINANCIAL SERVICES LIMITED			
Notes forming part of the financial statements			
		Amount in Rs.	
Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017
<b>Note 3 : Other Long Term Liabilities</b>			
1	Balance held in Debenture Trust A/c 1787419858 Shree Ambica Mills Ltd.	5,61,978	5,87,662
2	Balance held in Debenture Trust A/c 1787419961 Tungabhadra Ind. Ltd.	6,23,154	19,95,716
3	Balance held in Debenture Trust A/c 1787421006 Ahmed S Ram K Mill	48,38,056	48,61,563
4	Security Trustee Deposits	12,000	9,000
		<b>60,35,188</b>	<b>74,53,941</b>
<b>Note 4 : Long-term Provisions</b>			
1	Provision for employee benefit (Leave encashement)	3,71,944	2,44,857
2	Other Provisions	-	-
		<b>3,71,944</b>	<b>2,44,857</b>
<b>Note 5 : Other Current Liabilities</b>			
1	Trust Account Balances	3,30,22,924	4,40,26,928
2	TDS Payable	1,37,031	74,311
3	Professional Tax	600	600
4	Unallocated Dividend / Interest	1,42,54,734	1,32,91,143
5	Unallocated/unclaimed proceeds on redemption of Securities	15,88,138	15,88,138
6	Other Liability	1,40,353	1,46,474
		<b>4,91,43,781</b>	<b>5,91,27,593</b>
<b>Note 6 : Short-term Provisions</b>			
1	Proposed Dividend	-	2,00,00,000
2	Provision for Dividend Distribution Tax	-	40,72,000
3	Provision for audit fees (Internal Audit and Statutory Audit)	1,00,440	94,500
4	Provision for Tax	1,06,07,510	7,87,953
5	Provision for employee benefit (Leave encashement)	42,023	34,067
		<b>1,07,49,973</b>	<b>2,49,88,520</b>
<b>Note 8 : Non Current Investment ( At Cost )</b>			
<b>Quoted</b>			
1	Investment in Equity Shares 1500 shares of HDFC Bank Ltd of Rs. 2/- each (Market Value Rs.28,37,175)	3,000	3,000
2	Investment in Mutual Fund per unit (Market Value Rs.1,50,86,250.00)	1,50,00,000	-
		<b>1,50,03,000</b>	<b>3,000</b>
<b>Note 9 : Deferred Tax Asset</b>			
Deferred Tax Asset		56,74,364	65,35,147
		<b>56,74,364</b>	<b>65,35,147</b>
<b>Note 10 : Other Non Current Assets</b>			
<b>Expenditure on increase of Authorised Capital</b>			
1	Stamp Duty	-	24,400
2	Registration Fees	-	57,600
		-	<b>82,000</b>

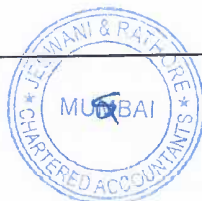


**CENTBANK FINANCIAL SERVICES LIMITED**  
Notes forming of the financial Statements

Particulars		Gross Block						Depreciation and Amortization- For the F.Y.			Amount in Rs.		
		As at		Add.	Ded.	As at	April 2017 to Mar 2018		Up to	Net Block			
		1.04.2017	31.03.2018				Dep. upto	For the period		31.03.2018	31.03.2018	31.03.17	
<b>Tangible Asset</b>	<b>Method</b>												
<b>Computers</b>	SLM	8,30,779	-	2,42,480	5,88,299	7,73,638	12,766	2,30,356	5,56,048	32,251	57,142		
End user Devices	SLM	4,92,525	-	-	4,92,525	3,74,197	93,703	-	4,67,899	24,626	1,18,329		
Server & Network	SLM	1,00,852	-	-	1,00,852	26,049	10,114	-	36,163	64,688	74,802		
Furniture	SLM	6,38,075	-	-	6,38,075	4,68,666	72,888	-	5,41,554	96,521	1,69,409		
Office Equipments	SLM	45,86,207	-	-	45,86,207	43,77,232	-	-	43,77,232	2,08,975	2,08,975		
<b>Intangible Asset</b>													
Computer Software	SLM												
<b>Grand Total</b>		<b>66,48,438</b>	<b>-</b>	<b>2,42,480</b>	<b>64,05,958</b>	<b>60,19,781</b>	<b>1,89,471</b>	<b>2,30,356</b>	<b>59,78,896</b>	<b>4,27,062</b>	<b>6,28,657</b>		
<b>Previous Year</b>		<b>72,02,913</b>	<b>17,899</b>	<b>5,72,374</b>	<b>66,48,438</b>	<b>53,92,035</b>	<b>9,28,147</b>	<b>3,00,400</b>	<b>60,19,782</b>	<b>6,28,655</b>	<b>18,10,877</b>		

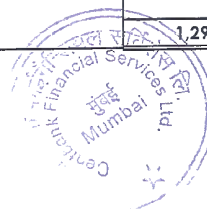


CENTBANK FINANCIAL SERVICES LIMITED			
Notes forming part of the financial statements			
		Amount in Rs.	
Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017
	<b>Note 11 : Trade Receivables</b>		
	<b>Unsecured</b>		
	Debts outstanding for a period exceeding six months		
	Considered good	2,07,60,034	1,97,25,214
	Considered doubtful		
	Other Debts		
	Considered good	19,32,281	7,32,394
	Considered doubtful	-	-
		<b>2,26,92,315</b>	<b>2,04,57,608</b>
	Less: Provision for Doubtful Debts	2,00,57,933	1,93,27,262
		<b>26,34,382</b>	<b>11,30,346</b>
	<b>Note 12 : Cash &amp; Bank Balances</b>		
1	<b>Cash and Cash Equivalents</b>		
	Cash Balance	6,330	3,132
	Bank Balance		
	- In Current Accounts		
	With Central Bank of India A/c No. 1787420987 Bank ac 1	4,84,55,550	5,84,24,682
	With Central Bank of India A/c No. 1787426399 Bank ac 2	24,66,732	1,50,260
	With Central Bank of India A/c No. 1787421006 (AHMED.S.RAM.K.MILL LTD)	48,38,055	48,61,563
	With Central Bank of India A/c No. 1787419858(Shree Ambica Mills)	5,61,978	5,87,662
	With Central Bank of India A/c No. 1787419961(Tungabhadra)	6,23,154	19,95,716
	Sub Total (A)	<b>5,69,51,799</b>	<b>6,60,23,016</b>
2	<b>Other Bank Balances</b>		
	- In Fixed Deposit Accounts		
	Maturity less than 12 months	11,03,00,000	15,02,61,876
	Maturity more than 12 months	21,11,63,390	17,17,49,732
	Sub Total (B)	<b>32,14,63,390</b>	<b>32,20,11,608</b>
	Total [ A + B ]	<b>37,84,15,189</b>	<b>38,80,34,624</b>
	<b>Note 13 : Short Terms Loans and Advances</b>		
	Income Tax Refund Receivable A.Y. 2013-14	7,06,196	7,06,196
	Income Tax Refund Receivable A.Y. 2015-16	-	26,02,470
	Income Tax Refund Receivable A.Y. 2016-17	-	29,26,260
	Income Tax Refund Receivable A.Y. 2017-18	76,676	-
	Advance Tax A.Y. 2018-19	71,50,000	-
	TDS Receivable A.Y. 2018-19	53,03,754	-
	Interest Accrued on FDR	2,38,51,893	3,66,86,480
	Other Receivables	22,187	5,339
	Service Tax Cenvat Receivables	-	4,14,402
	Krishi Kalyan Cenvat	-	15,324
	Prepaid Expenses	8,87,792	2,35,543
	CGST Input Tax Credit	50,259	-
	SGST Input Tax Credit	1,65,942	-
	Service tax cenvat receivable (Deferred)	-	13,500
	CGST Input Tax Credit (Deferred)	8,370	-
	SGST Input Tax Credit (Deferred)	8,370	-
		<b>3,82,31,439</b>	<b>4,36,05,513</b>
	<b>Note 14 : Other Current Assets</b>		
	Expenditure on increase of Authorised Capital		
	Stamp Duty	24,400	24,400
	Registration Fees	57,600	57,600
		<b>82,000</b>	<b>82,000</b>





<b>CENTBANK FINANCIAL SERVICES LIMITED</b>			
<b>Notes forming part of the financial statements</b>			
Sr. No	Particulars	Amount in Rs.	
		For the year ended 31st March 2018	For the year ended 31st March 2017
<b>Note 15 : Revenue from Operations</b>			
1	Fees from Executor Trusteeship	34,85,414	36,97,765
2	Fees from Debenture & Security Trusteeship	2,90,70,143	2,69,31,110
		<b>3,25,55,557</b>	<b>3,06,28,875</b>
<b>Note 16 : Other Income</b>			
1	Interest on FDR's	2,73,56,199	3,02,88,904
2	Other Income	-	7,300
3	Dividend Income	1,70,977	14,250
4	Trustee Association Membership Fees	-	50,000
5	Profit on sale of assets	376	-
6	Interest on Income tax	6,38,290	31,01,482
		<b>2,81,65,842</b>	<b>3,34,61,936</b>
<b>Note 17 : Operating &amp; Administrative Expenses</b>			
1	Telephone Expenses	1,66,978	1,79,518
2	Travelling Expenses	3,17,827	2,35,559
3	Office Maintenance	2,10,214	1,28,807
4	General Expenses	1,27,269	2,48,562
5	Insurance Expenses	7,359	10,571
6	Charges for amenities	3,00,000	3,00,000
7	Postage & Telegram	10,039	12,234
8	Professional Charges	5,13,330	3,85,600
9	Stationery Expenses	65,760	42,266
10	Audit Expenses:		
	Statutory Audit Fees	65,000	65,000
	Internal Audit Fees	1,12,000	1,00,000
	Migration Audit Fees	-	44,000
	Tax Audit Fees	30,000	-
11	Compensation for office premises	45,28,800	45,28,800
12	Website & Internet Expenses	10,402	43,116
13	Professional Tax Expenses	12,500	-
14	SEBI Registration Fees - Debenture Trustee	2,86,040	2,98,905
15	Directors Sitting Fees	1,40,000	1,20,000
16	ROC Filing Charges	45,400	61,700
17	Safe Locker charges	5,546	4,798
18	Shop and Establishment exp	3,534	4,800
19	Donation and Charity (CSR)	48,73,000	-
20	Trustee Association Fees	2,10,000	-
21	Loss on sale of car	-	1,65,150
22	Housekeeping Charges	1,43,186	1,40,497
23	Payment under Special Courts (Torts) Act, 1992	21,116	-
	<b>SubTotal</b>	<b>1,22,05,300</b>	<b>71,19,883</b>
24	Provision for Doubtful Debts	7,30,671	51,30,004
		<b>1,29,35,971</b>	<b>1,22,49,887</b>



CENTBANK FINANCIAL SERVICES LIMITED			
Notes forming part of the financial statements			
		Amount in Rs.	
Sr. No	Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
<b>Note 18 : Employment Benefit Expenses</b>			
1	Salaries & Allowances	71,25,864	70,55,264
2	Provision for Leave Encashment	1,55,897	81,971
3	Compensation Paid To Managing Director	12,19,214	13,77,912
4	Compensation Paid to Key Managerial person	12,05,960	11,26,964
		<b>97,06,935</b>	<b>96,42,111</b>
<b>Note 19 : Depreciation &amp; Amortised Cost</b>			
1	Depreciation	1,89,471	9,28,147
2	Stamp Duty and Registration Fees Amortised	82,000	82,000
		<b>2,71,471</b>	<b>10,10,147</b>



**CENTBANK FINANCIAL SERVICES LIMITED**

Significant Accounting Policies & Notes to Accounts for the year ended 31<sup>st</sup> March, 2018:

**Note 20: Significant Accounting Policies:****A. Basis of Presentation:**

The Financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the applicable mandatory Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended), as notified under Companies (Accounts) Rules, 2014 (GSR No. 239(E)), Schedule III and relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the Historical Cost convention using the accrual method of accounting, except for fees in respect of suit(s) filed of Debenture Trusteeship business and / or BIFR, registered companies and brokerage income earned as mutual fund product distributor, which is accounted on receipt basis.

**B. Use of estimates:**

The preparation of the financial statements in conformity with generally accepted accounting principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to the accounting estimates is recognized prospectively in current and future periods.

**C. Revenue Recognition:**

In relation to Executor Trusteeship, business income is accrued on occurrence of transactions relating to trust account.

Revenue from Debenture and Security Trusteeship services is recognized on period basis and accounted on accrual basis, except the income from suit(s) filed of Debenture Trusteeship business of and / or BIFR companies, which is accounted on receipt basis.

**D. Investments:**

Current investments are stated at lower of the, cost or fair value. Non-Current investments are stated at cost. Provision for diminution, if any, in the value of the Non-Current investments is made only if the diminution in the value is of permanent nature.

**E. Fixed Assets:**

Fixed assets are stated at acquisition cost including incidental expenses in connection thereto less Depreciation.

**F. Intangible Assets:**

Intangible assets are stated at cost of acquisition less amortization.



**G. Depreciation & Amortization:**

- a. Depreciation on Fixed Assets has been provided on Straight Line Method at the rates and in the manner specified in Schedule II to the Companies Act, 2013. The useful life of fixed assets have been adopted as per Schedule II of Companies Act, 2013 and differential amount of asset carrying value as on the first day of the year has been suitably adjusted in accounts.
- b. Depreciation on assets added/disposed during the year is provided with reference to the date of addition/disposition.
- c. Intangible assets have been amortized considering the economic life of the asset ascertained to be 5 years by the management and amortized accordingly.

**H. Impairment of Assets:**

The carrying amounts of assets, other than investment properties, deferred tax assets and non-current assets (or disposal groups) held for sale, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs to

An impairment loss is recognized in profit or loss in the period in which it arises.

**I. Foreign Currency Transactions**

The Company does not have any Foreign Currency Transactions.

**J. Expenditure on increase of Authorized Capital:**

Stamp Duty paid and Registration fees on issue of Equity Shares as a result of increase in authorize capital is written off over a period of ten years.

**K. Tax Expenses:**

Provision for current tax is computed as per 'Total Income' returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.

Deferred tax is recognized by considering temporary differences in terms of the difference between the carrying values and the tax values of assets and liabilities.

**L. Earnings per share ('EPS')**

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti-dilutive



**M. Sundry Unallocated Income & Proceeds**

The amounts received on behalf of beneficiaries of whom details about the beneficiaries cannot be ascertained, have been accounted in the nominal account "Sundry Party Unclaimed Dividend / Interest" and "Unallocated / Unclaimed Proceeds on Redemption of Securities"

As and when the details are received from the payer about the beneficiaries, the amount is transferred to the respective beneficiary account.

**N. Provision & Contingent Liabilities**

Provisions are recognized when there is a present obligation as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not fully within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle a reliable estimate of the amount cannot be made, is termed as a contingent liability.

**Note 21: Disclosure Notes to Financial Statements**

- I. Seven staff members including the Managing Director of the Company out of a total of 10 staff members are on deputation from Central Bank of India. The Company has reimbursed the salaries/ remunerations of these personals to Central Bank of India. The tax to be deducted at source under the respective provisions of Income Tax Act, 1961 is said to have been deducted and deposited by Central Bank of India
- II. Sundry debit/credit balances and individual Trust account are subject to confirmation.
- III. The Company holds investments in the nature of shares, securities and immovable properties on behalf of its clients in a fiduciary capacity on a Trustee-Beneficiary relationships, which in the opinion of the Board of Directors are adequately safeguarded and properly recorded and all duties arising from such fiduciary relationships are adequately fulfilled
- IV. There are no amounts overdue and remaining unpaid to Small Scale and /or Ancillary Industrial suppliers on account of principal and/or interest as at close of the year. This disclosure is based on the information available with the Company regarding the status of suppliers as defined under the "Interest on delayed payments to Small Scale and Ancillary Industrial Undertaking Act, 1993."



## V. Accounting Standard 18: Related Party Disclosures:

## (a) Disclosure of Related Parties

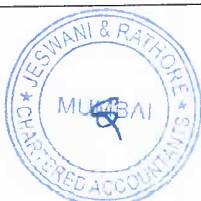
Name of the Party where Control Exists	Nature of the Relationship
Central Bank of India	Holding Company

Key Management Personnel	Nature of Relationship
Mr. U K Maheshwari	Managing Director
Mr. H V Kamdar	Company Secretary and Asstt Vice President

## (b) During the year, the transactions entered with related parties are as under:

(Amount in Rs.)

Sr. No	Particulars	2017-18	2016-17
i)	Expenses Reimbursed to Central Bank of India		
	-Salaries of staff on deputation	73,15,741/-	78,13,606/-
	- Charges for amenities	3,00,000/-	3,00,000/-
	- Compensation for Office premises	45,28,800/-	45,28,800/-
		<b>1,21,44,541/-</b>	<b>1,26,42,406/-</b>
ii)	Income Received by way of interest on Fixed Deposits from Central Bank of India	1,93,49,176/-	3,02,88,904/-
iii)	Sale of Assets to Central Bank of India	-	1,06,824/-
iv)	Dividend Paid to Central Bank of India	2,00,00,000/-	5,00,00,000/-
v)	<b>Deposits with Central Bank of India on</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
	- Fixed Deposits	18,90,63,390/-	32,20,11,608/-



- Current Accounts		
* Trust Current A/c No.1787420987	4,84,55,550/-	5,84,24,682/-
* Company's A/c No.1787426399	24,66,732/-	1,50,260/-
* Debenture Trust A/c No.1787421006 (ASRM)	48,38,056/-	48,61,563/-
* Debenture Trust A/c No.1787419858 (Ambica Mills)	5,61,978/-	5,87,662/-
* Debenture Trust A/c No.1787419961 (Tungbhadra)	6,23,154/-	19,95,716/-
<b>Total Deposits With CBI</b>	<b>24,60,08,860/-</b>	<b>38,80,31,492/-</b>

<b>vi)</b>	<b>Remuneration to Key Management Personnel</b>	<b>2017-18</b>	<b>2016-17</b>
a	Mr. R L Wadhwa	8,11,783/-	13,77,912/-
b	Mr. U.K. Maheshwari	4,07,431/-	-
c	Mr. H V Kamdar	12,05,960/-	11,26,964/-

(c) The Company is primarily engaged in the business of rendering financial services, which are considered by the management to constitute as a single segment. This being the only reportable segment as per Accounting Standard 17 issued by The Institute of Chartered Accountants of India on "Segment results and segment reporting", the profit and loss statement and the Balance Sheet depict the picture of segment result and the segmental assets and liabilities.

VI. In compliance of Accounting Standard 22 referred in Section 133 of the Companies Act, 2013 on accounting for Taxes on Income, the Company has created 'Deferred Tax Asset' on account of timing difference :

Sr. No	Particulars	31.03.2018	31.03.2017
1	Opening Deferred tax (Liability)/ Asset	65,35,147/-	44,58,648/-
2	Add/(Less):- Deferred Tax (Liability)/Asset for the year	(8,60,783)/-	20,76,499/-
3	Closing Deferred tax (Liability)/Asset	56,74,364/-	65,35,147/-

VII. Contingent Liabilities not provided for:

Suit filed against the Company Rs. 25,00,000/- . (Previous year Rs. 25,00,000/-)



- VIII. Provision for doubtful debt(s) of Rs. 7,30,671/- has been made during the year. (Previous Year-Rs. 51,30,004/-)
- IX. Monthly compensation Rs. 3,77,400/- (excluding GST)(@ 300/ square feet) is paid to Central Bank of India for using their office premises. Standard charges of Rs. 75,000/- per quarter have been reimbursed to Central Bank of India for sharing amenities like lift maintenance, security and electricity etc.
- X. Directors are pleased to recommend a final dividend of Rs.2,00,00,000/- for the F.Y. 2017-18 for approval of the members.
- XI. Operating & Administrative Expenses includes prior period items - Tax Audit Fees of Rs. 15,000/-
- XII. During the year, contribution of Rs. 48,73,000 has been made towards Prime Minister's National Relief Fund as part of Corporate Social Responsibility (CSR) expenditure. This CSR expense pertains to F.Y. 2013-14, 2014-15 and 2015-16. Year wise details of expenditure are as follows:

Financial Year	Amount in Rs.
2013-14	22,73,992/-
2014-15	15,94,000/-
2015-16	10,04,850/-
<b>Total</b>	<b>48,72,872/-</b>

- XIII. Cash and cash equivalents include amount(s) held on behalf of three companies which have been liquidated and corresponding liability of same amount has been shown in other long term liability. Amount(s) are as follows:

Name of Company	Amount in Rs.
Shree Ambica Mills Ltd.	5,61,978/-
Tungabadra Industries Limited	6,23,154/-
Ahmad S Ram K Mill	48,38,056/-





- XIV. There is non-reconciled balance of Rs. 4,10,246/- against trust liability. Details of this are as follows:

Particulars	Amount in Rs. .
Trust Account Balance	3,30,22,924
Unclaimed Dividend	1,42,54,734
Unclaimed Proceeds on Sale/ redemption of securities	15,88,138
<b>Total</b>	<b>4,88,65,796</b>
Less: Balance in Bank a/c	4,84,55,550
<b>Net difference</b>	<b>4,10,246</b>

- XV. Other liability includes stale cheques amounting to Rs. 1,23,229/- . Party wise details in this regard are not available at present.

- XVI. Previous year's figures have been regrouped and rearranged wherever necessary.

For Jeswani & Rathore  
Chartered Accountants  
Firm Reg. No.: 104202W

*SSRasa*

Sangeeta S Rasal  
Partner  
Mem. No. 137789  
Place: MUMBAI  
Date: 15 May, 2018



For and on behalf of the Board of Directors

*B K Divakara*

(B K Divakara)  
Chairman  
DIN: 06439053

*U K Maheshwari*

(U K Maheshwari)  
Managing Director  
DIN: 08001179

Place: MUMBAI  
Date: 15 May, 2018

*H V Kamdar*

(H V Kamdar)  
Company Secretary  
Mem No: F2418



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**CENTBANK FINANCIAL SERVICES LTD**

CIN: U67110MH1929GOI001484

Registered Office: Central Bank of India MMO Building, 3<sup>rd</sup> Floor (East Wing)

55 Mahatma Gandhi Road, Fort, Mumbai 400001

☎: 022 - 2261 6217, Fax: 022 - 2261 6208, e-mail: dts@cfsl.in, website: www.cfsl.in

**FORM OF PROXY**

Form MGT-11

[Sec.105(6) of the Companies Act 2013 and Rule 19(3) of the Companies (Management and Administration Rules 2014)]

89<sup>th</sup> Annual General Meeting on Saturday, 29 September 2018

Name(s) of the Member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Folio No.: \_\_\_\_\_

I/We, the member(s) of \_\_\_\_\_ shares of the abovenamed Company, hereby appoint:

1. Name \_\_\_\_\_ e-mail Id: \_\_\_\_\_  
Address \_\_\_\_\_  
Signature \_\_\_\_\_; or failing him/her
2. Name \_\_\_\_\_ e-mail Id: \_\_\_\_\_  
Address \_\_\_\_\_  
Signature \_\_\_\_\_; or failing him/her
3. Name \_\_\_\_\_ e-mail Id: \_\_\_\_\_  
Address \_\_\_\_\_  
Signature \_\_\_\_\_

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 89<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, 29 September 2018 at 11.00 hours at Opal Room, Chandermukhi, 11<sup>th</sup> Floor, Nariman Point, Mumbai 400021 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Reso- lution No.	Description	Optional	
		For	Against
	<i>Ordinary Business:</i>		
1	Ordinary Resolution for Adoption of the Audited Financial Statement for the year ended 31 <sup>st</sup> March 2018, together with the Reports of the Auditors and Directors thereon.		
2	Ordinary Resolution for Declaration of Dividend on Equity Shares for the financial year ended 31 <sup>st</sup> March 2018.		

3	Ordinary Resolution for appointment of Shri Satyanarayanan Krishnamurthy, Director, who retires by rotation and being eligible, offers himself for re-appointment.		
4	Ordinary Resolution for fixation of Remuneration of Statutory Auditors for the financial year 2018-19.		
	<i>Special Business:</i>		
5	Ordinary Resolution for appointment of Shri Bajrang Singh Shekhawat as Director of the Company		
6	Ordinary Resolution for appointment of Shri Umesh Kumar Maheshwari as Director of the Company		
7	Ordinary Resolution for appointment of Shri Umesh Kumar Maheshwari as Managing Director of the Company		

Signed this \_\_\_\_\_ day of September 2018

Signature of Shareholder across Revenue Stamp for ₹ 1/-
--

Signature of Proxy holder \_\_\_\_\_

**Note:** This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.