



CIN: U67110MH1929GOI001484

90th Annual Report: 2018-19

Centbank Financial Services Limited

Registered Office:

Central Bank of India- MMO Building, 3rd 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 BS Shekhawat (Chairman)
Shri BK Divakara (upto 23 January 2019)
Shri K Raghuraman
Shri Alok Srivastava (w.e.f. 30 August 2019)
Shri K Satyanarayanan (upto 30 August 2019)
Shri Mayank D Shah (from 30 August 2019)
Shri UK Maheshwari (Managing Director)

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 Ninetieth Annual General Meeting of the Members of Centbank Financial Services Limited will be held on Friday, 27 September 2019 at 12.00 hours at Opal Room, Chandramukhi, 11th 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 31st March 2019 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 K Raghuraman (DIN: 00320507), 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 2019-20."

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 Alok Srivastava (DIN: 05123610), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 30 August 2019, 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."

By Order of the Board of Directors

Place: Mumbai
Date: 30 August 2019

HV Kamdar
Company Secretary

Registered Office:

Central Bank of India- MMO Building, 3rd 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 20 September 2019 to 26 September 2019 (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 27 September 2019 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 30 August 2019, has appointed Shri Alok Srivastava

(DIN: 05123610) 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.

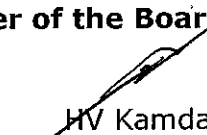
Shri Alok Srivastava (DIN: 05123610), Master in Economics, MBA (Finance), aged 57 years, has over 34 years' experience in Banking. He is Executive Director in Central Bank of India. Looking at the business of Security Trusteeship and Debenture Trusteeship, his appointment is considered important for the Company. He has been nominated as Member of the Audit Committee and Corporate Social Responsibility Committee of the Company.

Shri Alok Srivastava 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 Alok Srivastava 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 is in anyway concerned or interested in the said Resolution at Item No.5 of the accompanying Notice.

By Order of the Board of Directors

Place: Mumbai
Date: 30 August 2019


HV Kamdar
Company Secretary

Registered Office:

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



DIRECTORS' REPORT

To,
The Members of
Centbank Financial Services Ltd

Your Directors feel great pleasure in presenting 90th Annual Report of your Company comprising the Audited Financial Statements for the year ended 31st March 2019.

FINANCIAL HIGHLIGHTS & PERFORMANCE

(Amount in ₹)

Sr.	Particulars	Current Year ended 31 st March 2019	Previous Year ended 31 st March 2018
1	Revenue from Operations		
	Fees from Executor & Trusteeship	43,24,805	34,85,414
	Fees from Debenture & Security Trusteeship	2,70,82,673	2,90,70,143
2	Other Income	2,51,22,941	2,81,65,842
3	Total Income	5,65,30,419	6,07,21,398
4	Total Expenses	1,93,79,773	2,29,14,376
5	Profit Before Tax	3,71,50,646	3,78,07,022
6	Tax Expenses		
	Current Tax	1,04,28,930	1,06,07,510
	Tax adjustments for earlier years	--	4,58,554
	Deferred Tax	(3,48,639)	8,60,783
7	Profit After Tax	2,70,70,355	2,58,80,176
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	41,11,060
11	Transfer to General Reserve	25,00,000	10,00,000
12	Amount of Reserves & Surplus in the Balance Sheet	32,71,25,844	32,41,66,550

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 ₹ 41,11,060/-). 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 K Raghuraman (DIN: 00320507), 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 Alok Srivastava (DIN: 05123610) was appointed as Additional Director on 30 August 2019, and he holds the Office till the date of 90th 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 his appointment as Director of the Company. Shri Mayank D Shah (DIN: 08492618) was appointed as Director to fill casual vacancy caused due to resignation of Shri K Satyanarayanan, on 30 August 2019.

Directors, Shri Bellur Krishna Bhat Divakara (DIN: 06439053), and Shri Satyanarayanan Krishnamurthy (DIN: 07822028) resigned w.e.f. 23 January 2019 and 30 August 2019 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 2019, 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 2019 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.

The provisions governing the Corporate Social Responsibility are not applicable to your Company for the current year. The Corporate Social Responsibility Policy of the Company has been displayed on the Company's website (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 15 May 2018, 03 September 2018, 29 December 2018 and 29 March 2019; 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 2019, 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 Three times during the year: 15 May 2018, 29 December 2018 and 29 March 2019.

As on 31 March 2019, the Audit Committee comprised of Shri K Raghuraman, Shri BS Shekhawat, and Shri K Satyanarayanan, Directors. Later, on appointment of Shri BS Shekhawat as the Chairman of the Company, he has ceased to be a Member of the Audit Committee; and Shri Alok Srivastava has been appointed in his place. Since Shri K Satyanarayanan has resigned, Shri Mayank D Shah, Director, has been nominated in his place.

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 29 March 2019.

As on 31 March 2019, the Investment Committee comprised of Shri K Satyanarayanan and Shri UK Maheshwari. Shri BS Shekhawat has been appointed as Chairman of the Committee, on 30 August 2019. Shri Mayank D Shah, Director, has been nominated on the Investment Committee on 30 August 2019 in place of Shri K Satyanarayanan.

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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 once on 03 September 2018.

As on 31 March 2019, the Corporate Social Responsibility Committee comprised of Shri K Raghuraman, Shri BS Shekhawat and Shri UK Maheshwari. Shri Alok Srivastava has been nominated on CSR Committee w.e.f. 30 August 2019 in place of Shri BS Shekhawat.

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.

AUDIT and AUDITORS

Notes to Accounts are self-explanatory to the observations made by Auditors in their Report.

Under section 139(5), M/s Jeswani & Rathore, Chartered Accountants, Mumbai, were appointed as the Statutory Auditors of your Company for the financial year 2018-19 by the Comptroller and Auditor General of India.

The Comptroller and Auditor General of India have reappointed M/s Jeswani & Rathore, Chartered Accountants, Mumbai, as the Statutory Auditors of your Company for the financial year 2019-20.

Your Company had appointed M/s Sarda & Pareek, Chartered Accountants, as the Internal Auditors for the year 2018-19, and reappointed for the year 2019-20.

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 your Company is engaged in the service industry, the details regarding Energy Conservation, Technology Absorption are not furnished.

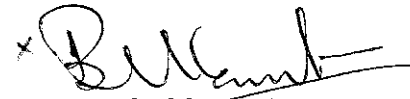
There was no Foreign Exchange earnings and outgo during the financial year under review.

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: 30 August 2019



BS Shekhawat
DIN: 03267955
Chairman



Annexure to Directors' Report

Annexure A EXTRACT OF ANNUAL RETURN

Form No. MGT-9
(As on the financial year ended on 31st March 2019)

[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 st 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, 3 rd Floor (East Wing) 55 MG Road, Fort Mumbai 400001 Landline: (022) 2261 6217 Fax: (022) 2261 6208 e-mail: info@cfsi.in / dts@cfsi.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	86.23
2	Executor & Trusteeship	64300	13.77

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	
A. Promoters									
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	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):	-	50,000	50,000	100	-	50,000	50,000	100	-
2. Foreign									
a. NRI- Individual	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/ FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
Total Share Holding of Promoters A (1+2)	-	50,000	50,000	100	-	50,000	50,000	100	-

B. Public Shareholding									
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	-	-	-	-	-	-	-	-	-
Sub-total B (1)	-	-	-	-	-	-	-	-	-
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)	-	-	-	-	-	-	-	-	-
Sub-total B (2)	-	-	-	-	-	-	-	-	-

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

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	-	-
	Total	50,000	100	-	50,000	100	-	-

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
1	Central Bank of India				
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 S Shekhawat j/w Central Bank of India					
A	At the beginning of the year		1	0.002	1	0.002
B	Changes during the year		-	-	-	-
C	At the end of year		1	0.002	1	0.002
2.	Shri U K Maheshwari j/w Central Bank of India					
A	At the beginning of the year		1	0.002	1	0.002
B	Changes during the year		-	-	-	-
C	At the end of year		1	0.002	1	0.002
3.	Shri Alok Srivastava (after 31/03/2019) j/w Central Bank of India					
A	At the beginning of the year		-	-	-	-
B	Changes during the year					
	Date	Reason				
	30/08/2019	Transfer	1	0.002	1	0.002
C	At the end of year		1	0.002	1	0.002

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	-	-	-	-
Total of (1+2+3)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
+ Addition	-	-	-	-
-Reduction	-	-	-	-
Net change	-	-	-	-
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	-	-	-	-
Total of (1+2+3)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (in ₹)
		Managing Director		
		Shri UK Maheshwari		
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	16,13,414		16,13,414
	(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	16,13,414		16,13,414
	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	Other Non-Executive Directors	Shri K Raghuraman	
	- Fee for attending Board and Committee meetings	90,000	90,000
	- Commission	-	-
	- Others	-	-
	Total	90,000	90,000

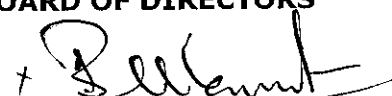
Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD:

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	13,92,322		13,92,322
	(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	13,92,322	13,92,322

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: None

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

+ 

BS Shekhawat
DIN: 03267955
Chairman

Place: Mumbai
Date: 30 August 2019



Annexure to Directors' Report

Annexure B

Attendance of Directors at the Board Meetings held on 15 May 2018, 03 September 2018, 29 December 2018 and 29 March 2019; **and the last Annual General Meeting:**

Name of Director	Number of Board Meetings held during their tenure in 2018-19	Number of Board Meetings attended by Director during 2018-19	Whether attended last (89 th) Annual General Meeting held on 29 Sept 2018
Shri B K Divakara (Chairman) (Upto 22 Jan 2019)	3	3	Yes
Shri BS Shekhawat (from 03 Sept 2018)	3	3	Yes
Shri K Raghuraman	4	3	No
Shri K Satyanarayanan	4	4	Yes
Shri U K Maheshwari (Managing Director)	4	4	Yes

Attendance of Members at the Audit Committee Meetings held on 15 May 2018, 29 December 2018 and 29 March 2019:

Name of Member	Number of Audit Committee Meetings held during their tenure in 2018-19	Number of Audit Committee Meetings attended by Member during 2018-19
Shri K Raghuraman (Chairman)	3	3
Shri BS Shekhawat (from 03 Sept 2018)	2	2
Shri K Satyanarayanan	3	3

Attendance of Members at the Investment Committee Meeting held on 29 March 2019:


Name of Member	Number of Investment Committee Meetings held during their tenure in 2018-19	Number of Investment Committee Meetings attended by Member during 2018-19
Shri K Satyanarayanan	1	1
Shri U K Maheshwari	1	1

Attendance of Members at the Corporate Social Responsibility Committee Meeting
held on 03 September 2018:

Name of Member	Number of Corporate Social Responsibility Committee Meetings held during their tenure in 2018-19	Number of Corporate Social Responsibility Committee Meetings attended by Member during 2018-19
Shri K Raghuraman (Chairman)	1	0
Shri K Satyanarayanan	1	1
Shri UK Maheshwari	1	1

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Mumbai
Date: 30 August 2019

* 
BS Shekhawat
DIN: 03267955
Chairman |

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JESWANI & RATHORE

CHARTERED ACCOUNTANTS

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Email: jeswani_rathore@vsnl.net

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

Report on the Standalone Financial Statements

1. Opinion

We have audited the accompanying standalone financial statements of **Centbank Financial Services Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2019, the profit and its cash flows for the year ended on that date.

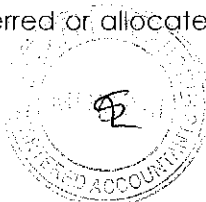
2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

a) Note 21(B) -- The Company has not transferred or allocated dividend, interest and other



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corporate benefits received over a period of time from various companies/undertakings, amounting to Rs.1,50,38,876/- to the trusts/ beneficiaries, on whose behalf the investment portfolios are held under trusteeship services. The said amount stood at Rs 1,42,54,734/- as on March 31, 2018 and has increased to Rs 1,50,38,876/- as at March 31, 2019.

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, since it pertains to the debentures already sold. The same is outstanding since 2005-06.

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

- b) Note 21(N) –The Company has kept the same amount in Current Account in Central Bank of India since long. The Company will pay such amount as and when the debenture holder will submit their claims.
- c) Note 21(O) – We are of the view that this amount should be shown as recoverable from Infrastructure Leasing & Financial Services Ltd. (IL & FS) and IL&FS Financial Services Ltd. (IFIN) and a corresponding provision for the same ought to be made.

4. Management's Responsibility for the Standalone Financial Statements

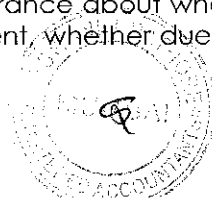
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

5. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue



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

Report on Other Legal and Regulatory Requirements

- I. 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 Companies Act, 2013, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure 2" on the directions and sub-directions issued by the Comptroller and Auditor General of India.
- III. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid 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.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 3".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.



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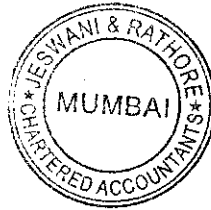
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- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 21 (K) to the financial statements;
 - ii. 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 21 (J) to the financial statements;
 - iii. 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, 2019.



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

S. Rasal

Sangeeta S Rasal
(Partner)
M. No: 137789

Place: Mumbai
Date: May 03, 2019

JESWANI & RATHORE

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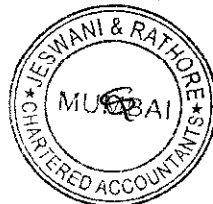
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Annexure 1 to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2019, we report that:

i. 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 Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanation given by the management and the title deeds/lease deeds and other records examined by us, we report that title deeds/lease deeds in respect of all immovable properties are held in the name of the Company.
- ii. The Company is a service company, primarily rendering financial services. Accordingly, reporting under clause 3 (ii) is not applicable to the company.
 - iii. 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, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clauses a, b and c of Paragraph 3(iii) of the order are not applicable to the Company.
 - iv. 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, made investments, provided guarantees and securities, hence the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
 - v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly the provisions of the clause 3 (v) of the Order are not applicable to the Company.
 - vi. 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.



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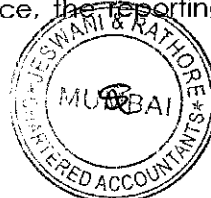
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- vii. According to the information and explanations given to us, in respect of statutory dues :
- a) the Company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Duty of Custom, Cess and any other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect aforesaid dues as at March 31, 2019 for a period of more than six months from the date they became payable.
 - b) According to the records of the Company and information and explanations provided to us, there is no disputed amounts payable in respect of, Provident Fund, Income Tax, Goods and Service Tax, Sales Tax, Value Added Tax, Customs Duty, Service Tax, Cess and other material statutory dues, as on the last day of the period ending March 31, 2019.
- viii. According to the information and explanations given to us and based on the records made available to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, banks, government or dues to debenture holders.
- ix. In our opinion and according to the information and explanations given 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 and hence reporting under this clause is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
- xi. 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.
- xii. 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.
- xiii. 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.
- xiv. According to the information and explanations given 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 and hence, the reporting under this clause 3(xiv) of the Order is not applicable to the company.



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JESWANI & RATHORE

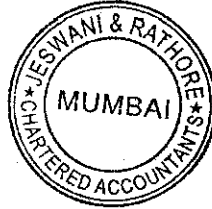
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- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with him as referred to in section 192 of the Companies Act, 2013 and hence provisions of clause 3(xv) of the Order are not applicable to the company.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.



Place: Mumbai
Date: May 03, 2019

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

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

JESWANI & RATHORE

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Annexure 2 to the Independent Auditors' Report

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of the Company on the Standalone Financial Statements for the year ended 31 March 2019

Sr. No	Directions u/s 143(5) of the Companies Act	Auditor's reply on action taken on the directions
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, there is no processing of accounting transactions outside IT system.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	There are no cases of any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc.
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	The Company has not received any funds for specific schemes from central/ state agencies and hence this clause is not applicable to the Company.

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

SSRasal

Sangeeta S Rasal
(Partner)
M. No: 137789



Place: Mumbai
Date: May 03, 2019

JESWANI & RATHORE

CHARTERED ACCOUNTANTS

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Annexure 3 to the Independent 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 31st March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

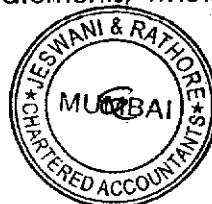
2. Management's Responsibility for Internal Financial Controls

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 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.



JESWANI & RATHORE

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Except for the effects of the matter described in Key Audit 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.

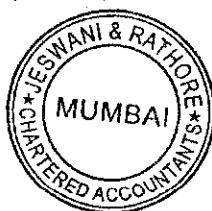
5. Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 Key Audit Matters paragraph in Independent Audit Report, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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.

Place: Mumbai
Date: May 03, 2019



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

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

भारतीय लेखापरीक्षा और लेखा विभाग
कार्यालय महानिदेशक वाणिज्यिक लेखापरीक्षा
तथा पदेन सदस्य, लेखापरीक्षा बोर्ड - I, मुम्बई



INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL OF
COMMERCIAL AUDIT AND EX-OFFICIO MEMBER,
AUDIT BOARD-I, MUMBAI

गोपनीय/शीघ्र डाक

संख्या:- जी.ए/सी.ए.-I/Centbank FSL/2018-19/ 77

सेवा में,

प्रबंध निदेशक

सेंटबैंक फाइनेंसियल सर्विसेस लिमिटेड

Central Bank of India

Mumbai Main Office Building

3rd Floor, 55 M.G. Road

Fort, Mumbai 400001

23/07/2019

विषय:- 31 मार्च 2019 को समाप्त वर्ष हेतु सेंटबैंक फाइनेंसियल सर्विसेस लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143(6)(बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

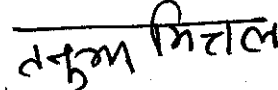
महोदय,

31 मार्च 2019 को समाप्त वर्ष हेतु सेंटबैंक फाइनेंसियल सर्विसेस लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143(6)(बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक के द्वारा दी गई टिप्पणियाँ इस पत्र के साथ संलग्न हैं। टिप्पणियों 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 टिप्पणियों 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 संलग्नकों की प्राप्ति की सूचना दें।

भवदीया,


(तनुजा मित्तल)

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 2019

The preparation of financial statements of Centbank Financial Services Limited for the year ended 31 March 2019 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 the 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 03.05.2019.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Centbank Financial Services Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act.

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

Tanuja Mittal
(Tanuja Mittal)

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

Place : Mumbai

Date : **23.07.2019**

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, 2019

Particulars	Note No.	Amount in Rs.	
		As at 31st March 2019	As at 31st March 2018
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	5,00,00,000	5,00,00,000
(b) Reserves and Surplus	2	32,71,25,844	32,41,66,550
(2) Non-Current Liabilities			
(a) Other long term liabilities	3	60,35,188	60,35,188
(b) Long-term provisions	4	4,51,355	3,71,944
(3) Current Liabilities			
(a) Other current liabilities	5	4,38,61,641	4,91,43,781
(b) Short-term Provisions	6	1,74,279	1,42,463
TOTAL		42,76,48,307	42,98,59,926
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	7	1,87,307	2,18,087
(ii) Intangible Assets		2,08,975	2,08,975
(b) Non-current investments	8	1,50,03,000	1,50,03,000
(c) Deferred tax assets (net)	9	60,23,003	56,74,364
(d) Other non-current assets	10	14,09,29,065	22,73,27,675
(2) Current Assets			
(a) Trade Receivables	11	15,24,049	26,34,382
(b) Cash and cash equivalents	12	24,30,04,907	16,72,51,799
(c) Short-term loans and advances	13	2,07,68,001	1,14,59,644
(d) Other current assets	14	-	82,000
TOTAL		42,76,48,307	42,98,59,926

Significant accounting policies and Notes forming part of the financial statements

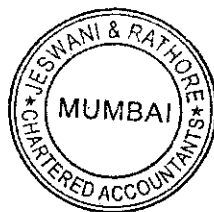
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As per our report on even date

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 : 3rd May, 2019

B S Shekhawat

(B S Shekhawat)

Chairman

DIN: 03267955

U K Maheshwari

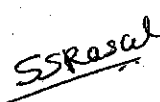
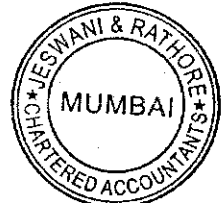


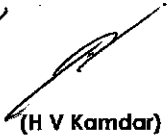

(U K Maheshwari)
Managing Director
DIN: 08001179

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

Place : Mumbai

Date : 3rd May, 2019



CENBANK 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 THE YEAR ENDED 31ST MARCH, 2019			
			Amount in Rs.
Particulars	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Revenue from operations	15	3,14,07,478	3,25,55,557
Other Income	16	2,51,22,941	2,81,65,842
I. Total Income		5,65,30,419	6,07,21,398
Expenses:			
Operating & Administrative Expenses	17	80,96,498	1,29,35,971
Employee Benefit Expenses	18	1,11,30,817	97,06,935
Depreciation and Amortization Expenses	19	1,52,458	2,71,471
II. Total Expenses		1,93,79,773	2,29,14,376
III. Profit / (Loss) before tax	(I - II)	3,71,50,646	3,78,07,022
IV. Tax expense:			
(1) Current tax		1,04,28,930	1,06,07,510
(2) Deferred tax		(3,48,639)	8,60,783
(3) Prior year tax expense		-	4,58,554
		1,00,80,291	1,19,26,846
V. Profit(Loss) for the period	(III-IV)	2,70,70,355	2,58,80,176
VI. Earnings per share			
Equity shares of par value of Rs 1000/- each			
(a) Basic		541	517.60
(a) Diluted		541	517.60
Significant accounting policies and Notes forming part of the financial statements		20 & 21	
As per our report on even date For Jeswani & Rathore Chartered Accountants (FRN: 104202W)		For and on behalf of the Board of Directors	
		 (B S Shekhawat) Chairman DIN: 03267955	
(Sangeeta S Rasal) Partner Mem. No. 137789 Place : Mumbai Date : 3rd May, 2019	 (U K Maheshwari) Managing Director DIN: 08001179		 (H V Kamdar) Company Secretary Mem. No. F2418
	Place : Mumbai Date : 3rd May, 2019		

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, 2019

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
A. Cash Flow From Operating Activities		
Net Profit before Tax & Extraordinary items	3,71,50,646	3,78,07,022
Add:		
1) Depreciation	70,458	1,89,471
2) Preliminary Expenses	82,000	82,000
3) (Profit)/Loss on Sale of Assets (Net)	2,562	(376)
4) Dividend Received	(6,90,658)	(1,70,977)
5) Interest Received	(2,44,27,957)	(2,73,56,199)
	(2,49,63,595)	(2,72,56,081)
Operating Profit before Working Capital Changes	1,21,87,051	1,05,50,941
Adjustments for working capital changes:		
(Increase) / Decrease in Trade Recievables	11,10,333	(15,04,036)
(Increase) / Decrease in Other Recievables	(94,44,622)	1,78,27,828
Increase / (Decrease) in Short Term Provisions	31,816	1,40,983
Increase / (Decrease) in Other Liabilities	(52,02,729)	(1,14,02,565)
(Increase)/Decrease in Working Capital	(1,35,05,203)	50,62,210
Cash Generated From Operations	(13,18,152)	1,56,13,151
Direct Taxes Paid	(1,17,07,712)	(1,37,00,262)
(A)	(1,30,25,864)	19,12,889
B. Cash Flow From Investing Activities		
Investment in Mutual Fund	-	(1,50,00,000)
Amount received on maturity of long term Fixed Deposit	8,78,13,658	-
Investment in long term fixed deposits	-	(3,94,13,658)
Purchase of Fixed Assets	(64,800)	-
Sale of Fixed Assets	22,560	12,500
Interest Received	2,44,27,957	2,73,56,199
Dividend Received	6,90,658	1,70,977
(B)	11,28,90,032	(2,68,73,982)
C. Cash Flow From Financing Activities		
Dividends Tax paid	(41,11,060)	(40,72,000)
Dividend paid	(2,00,00,000)	(2,00,00,000)
(C)	(2,41,11,060)	(2,40,72,000)
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	7,57,53,108	(4,90,33,093)
Opening Balance	16,72,51,799	21,62,84,892
Closing Balance	24,30,04,907	16,72,51,799
Net Increase/ (Decrease) in Cash & Cash Equivalents	7,57,53,108	(4,90,33,093)

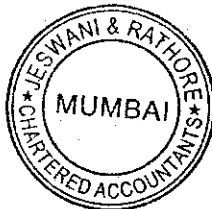
Notes:-

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

SSRasal



(Sangeeta S Rasal)
Partner
Mem. No. 137789
Place : Mumbai
Date : 3rd May, 2019

For and on behalf of the Board of Directors

B S Shekhawat
(B S Shekhawat)
Chairman
DIN: 03267955

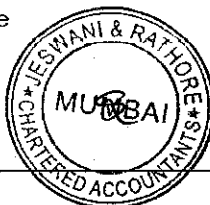
(U K Maheshwari)
Managing Director
DIN: 08001179

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

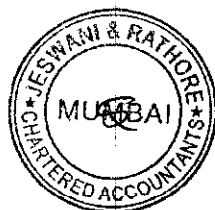
Place : Mumbai
Date : 3rd May, 2019



CENBANK FINANCIAL SERVICES LIMITED			
Notes forming part of the financial statements			
			Amount in Rs.
Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
Note 1 : Share Capital			
1	AUTHORIZED CAPITAL 1,00,000 Equity Shares of Rs. 1000/- each.	10,00,00,000	10,00,00,000
		10,00,00,000	10,00,00,000
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL To the Subscribers of the Memorandum 50000 Equity Shares of Rs. 1000/- each Paid up Share capital by allotment 50000 Equity Shares of Rs. 1000/- each, Fully Paid Up	5,00,00,000	5,00,00,000
		5,00,00,000	5,00,00,000
The company has one class of shares referred to as equity shares having a par value of Rs.1000/-. Each holder of equity shares is entitled to one vote per share.			
Details of shares held by each shareholder holding more than 5% shares:			
	Name of the shareholder	No. of Shares	No. of Shares
	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:			
	Particulars	As at 31st March 2019	As at 31st March 2018
	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
Note 2 : Reserves and Surplus			
1	General Reserve Balance brought forward from previous year Add: Transfer from Profit & Loss account	3,00,00,000 25,00,000	2,90,00,000 10,00,000
		3,25,00,000	3,00,00,000
2	Surplus in the Statement of Profit and Loss Balance brought forward from previous year Add: Profit during the year Less: Final Dividend Paid for the F.Y. 2017-18 Less: DDT on dividend paid Less: Transfer to General Reserve	29,41,66,550 2,70,70,355 2,00,00,000 41,11,060 25,00,000	26,92,86,375 2,58,80,176 - - 10,00,000
		29,46,25,845	29,41,66,550
		32,71,25,844	32,41,66,550



CENBANK FINANCIAL SERVICES LIMITED			
Notes forming part of the financial statements			
			Amount in Rs.
Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
Note 3 : Other Long Term Liabilities			
1	Balance held in Debenture Trust A/c 1787419858 Shree Ambica Mills Ltd.	5,61,978	5,61,978
2	Balance held in Debenture Trust A/c 1787419961 Tungabhadra Ind. Ltd.	6,23,154	6,23,154
3	Balance held in Debenture Trust A/c 1787421006 Ahmedabad Ram Krishna Mill	48,38,056	48,38,056
4	Security Trustee Deposits	12,000	12,000
		60,35,188	60,35,188
Note 4 : Long-term Provisions			
1	Employee Benefit (Leave Encashement)	4,51,355	3,71,944
		4,51,355	3,71,944
Note 5 : Other Current Liabilities			
1	Trust Account Balances	2,69,15,280	3,30,22,924
2	TDS Payable	2,65,308	1,37,031
3	Professional Tax	600	600
4	Unallocated Dividend / Interest	1,50,38,876	1,42,54,734
5	Unallocated/unclaimed proceeds on redemption of Securities	15,88,138	15,88,138
6	Other Liabilities	53,440	1,40,353
		4,38,61,641	4,91,43,781
Note 6 : Short-term Provisions			
1	Audit Fees	1,25,280	1,00,440
2	Employee Benefit (Leave Encashement)	48,999	42,023
		1,74,279	1,42,463
Note 8 : Non-Current Investment (At Cost)			
Quoted			
1	Investment in Equity Shares 1500 shares of HDFC Bank Ltd of Rs. 2/- each (Market Value Rs.34,78,350)	3,000	3,000
2	Investment in Mutual Fund 15,00,000 units of UTI FIXED TERM INCOME FUND- SERIES XXVIII valued at Rs. 10.0192 per unit (Market Value Rs. 15,028,800/-)	1,50,00,000	1,50,00,000
		1,50,03,000	1,50,03,000
Note 9 : Deferred Tax Asset			
1	Deferred Tax Asset	60,23,003	56,74,364
		60,23,003	56,74,364
Note 10 : Other Non Current Assets			
1	Fixed Deposits with maturity more than 12 months	12,33,49,732	21,11,63,390
2	Accrued Interest on Fixed Deposits with maturity more than 12 months	1,75,79,333	1,61,64,285
		14,09,29,065	22,73,27,675

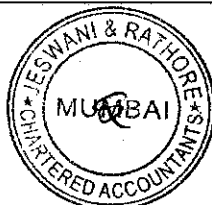


CENTBANK FINANCIAL SERVICES LIMITED
Notes forming of the financial Statements

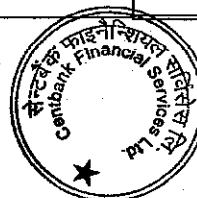
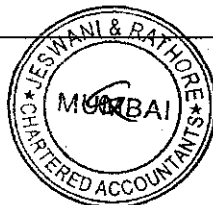
Particulars	Gross Block						Depreciation		Net Block		Amount in Rs.
	Gross Carrying Value as of April 01, 2018	Additions	Deletions	Gross Carrying Value as of March 31, 2019	Balance as on April 01, 2018	Depreciation	Accumulated Depreciation on Deletions	Balance as on March 31, 2019	WDV as On March 31, 2019	WDV as On March 31, 2018	
Tangible Asset											
Computers											
End user Devices	5,88,299	-	-	5,88,299	5,56,048	6,033	-	5,62,081	26,218	32,251	
Server & Network	4,92,525	-	-	4,92,525	4,67,899	-	-	4,67,899	24,626	24,626	
Furniture	1,00,852	-	-	1,00,852	36,163	10,114	-	46,277	54,574	64,688	
Office Equipments	6,38,075	64,800	1,51,875	5,51,000	5,41,554	54,311	1,26,753	4,69,112	81,888	96,521	
Intangible Asset											
Computer Software	45,86,207	-	-	45,86,207	43,77,232	-	-	43,77,232	2,08,975	2,08,975	
Grand Total	64,05,958	64,800	1,51,875	63,18,883	59,78,896	70,457.63	1,26,753	59,22,601	3,96,282	4,27,062	
Previous Year	66,48,438	-	2,42,480	64,05,958	60,19,781	1,89,471	2,30,356	59,78,896	4,27,062	6,28,657	



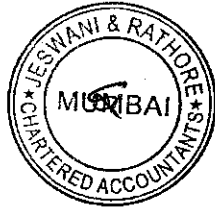
CENBANK FINANCIAL SERVICES LIMITED			
Notes forming part of the financial statements			
			Amount in Rs.
Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
Note 11 : Trade Receivables			
Unsecured			
1	Debts outstanding for a period exceeding six months Considered good Considered doubtful	2,15,86,270	2,07,60,034
2	Other Debts Considered good Considered doubtful	9,69,806	19,32,281
		2,25,56,076	2,26,92,315
	Less: Provision for Doubtful Debts	2,10,32,027	2,00,57,933
		15,24,049	26,34,382
Note 12 : Cash & Bank Balances			
1	Cash and Cash Equivalents Cash Balance	3,039	6,330
2	Bank Balance - In Current Accounts With Central Bank of India A/c No. 1787420987 Bank A/c 1 With Central Bank of India A/c No. 1787426399 Bank A/c 2 With Central Bank of India A/c No. 1787421006 (Ahmedabad R K Mill) With Central Bank of India A/c No. 1787419858(Shree Ambica Mills) With Central Bank of India A/c No. 1787419961(Tungabhadra Ind. Ltd.)	4,48,25,953 18,39,069 48,38,056 5,61,978 6,23,154	4,84,55,550 24,66,732 48,38,055 5,61,978 6,23,154
	Sub Total (A)	5,26,91,249	5,69,51,799
3	Other Bank Balances - In Fixed Deposit Accounts Maturity less than 12 months	19,03,13,658	11,03,00,000
	Sub Total (B)	19,03,13,658	11,03,00,000
	Total [A + B]	24,30,04,907	16,72,51,799
Note 13 : Short Terms Loans and Advances			
1	Income Tax Refund	39,07,898	26,29,116
2	Interest Accrued on FDR	1,57,46,180	76,87,608
3	Other Receivables	67,069	22,187
4	Prepaid Expenses	5,84,725	8,87,792
5	GST Input Tax Credit	4,33,149	2,16,201
6	GST Input Tax Credit (Deferred)	28,980	16,740
		2,07,68,001	1,14,59,644
Note 14 : Other Current Assets			
Expenditure on increase of Authorised Capital			
1	Stamp Duty	-	24,400
2	Registration Fees	-	57,600
		-	82,000



CENBANK FINANCIAL SERVICES LIMITED			
Notes forming part of the financial statements			
		Amount in Rs.	
Sr. No	Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Note 15 : Revenue from Operations			
1	Fees from Executor Trusteeship	43,24,805	34,85,414
2	Fees from Debenture & Security Trusteeship	2,70,82,673	2,90,70,143
		3,14,07,478	3,25,55,557
Note 16 : Other Income			
1	Interest on FDR's	2,44,27,957	2,73,56,199
2	Other Income	4,326	-
3	Dividend Income	6,90,658	1,70,977
4	Profit on sale of assets	-	376
5	Interest on Income tax	-	6,38,290
		2,51,22,941	2,81,65,842
Note 17 : Operating & Administrative Expenses			
1	Telephone Expenses	1,54,031	1,66,978
2	Travelling Expenses	1,58,092	3,17,827
3	Office Maintenance	1,76,655	2,10,214
4	General Expenses	1,88,524	1,27,269
5	Insurance Expenses	4,873	7,359
6	Charges for amenities	3,00,000	3,00,000
7	Postage & Telegram	34,477	10,039
8	Professional Fees	5,73,000	5,13,330
9	Stationery Expenses	85,286	65,760
10	Audit Expenses:		
	Statutory Audit Fees	65,000	65,000
	Internal Audit Fees	1,24,000	1,12,000
	Tax Audit Fees	20,000	30,000
11	Compensation for office premises	45,28,800	45,28,800
12	Website & Internet Expenses	14,309	10,402
13	Professional Tax Expenses	2,500	12,500
14	SEBI Registration Fees - Debenture Trustee	3,00,000	2,86,040
15	Directors Sitting Fees	90,000	1,40,000
16	ROC Filing Charges	12,000	45,400
17	Safe Locker charges	8,950	5,546
18	Shop and Establishment exp	4,800	3,534
19	Donation and Charity (CSR)	-	48,73,000
20	Trustee Association Fees	80,000	2,10,000
21	Housekeeping Charges	1,41,432	1,43,186
22	Payment under Special Courts (Torts) Act, 1992	-	21,116
23	Loss on sale of Fixed Assets	2,562	-
24	Service Tax Expense	53,113	-
SubTotal		71,22,404	1,22,05,300
25	Provision for Doubtful Debts	9,74,094	7,30,671
		80,96,498	1,29,35,971



CENTBANK FINANCIAL SERVICES LIMITED			
Notes forming part of the financial statements			
Sr. No	Particulars	Amount in Rs.	
		For the year ended 31st March 2019	For the year ended 31st March 2018
	Note 18 : Employment Benefit Expenses		
1	Salaries & Allowances	80,22,940	71,25,864
2	Provision for Leave Encashment	1,02,142	1,55,897
3	Compensation Paid To Managing Director	16,13,414	12,19,214
4	Compensation Paid to Key Managerial person	13,92,322	12,05,960
		1,11,30,817	97,06,935
	Note 19 : Depreciation & Amortised Cost		
1	Depreciation	70,458	1,89,471
2	Stamp Duty and Registration Fees Amortised	82,000	82,000
		1,52,458	2,71,471



CENTBANK FINANCIAL SERVICES LIMITED

Significant Accounting Polices & Notes to Accounts for the year ended 31st March, 2019:

Note 20: Significant Accounting Polices:

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 & Security Trusteeship business, 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 periodic basis and accounted on accrual basis, except for fees in respect of suit(s), filed of Debenture & Security Trusteeship business, 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:

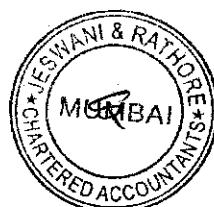
Fixed assets are stated at acquisition cost including incidental expenses in connection thereto less Depreciation.

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.

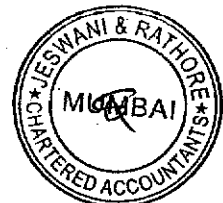
Deferred tax is recognized by considering temporary differences in terms of the difference between the carrying values and the tax values of assets and liabilities.

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. 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 it's present value.

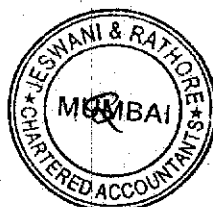
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not fully within the control of the company or a present obligation that arises from 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

- A. Seven staff members including the Managing Director of the Company out 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
- B. 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.
- C. Sundry debit/credit balances and individual Trust account are subject to confirmation.
- D. 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.
- E. 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."
- F. 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.
- G. Accounting Standard 18: Related Party Disclosures:

(a) Disclosure of Related Parties

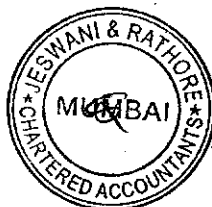
Name of the Party where Control Exists	Nature of the Relationship
Central Bank of India	Holding Company



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	2018-19	2017-18
i)	Expenses Reimbursed to Central Bank of India		
	-Salaries of staff on deputation	84,55,078/-	73,15,741/-
	- Charges for amenities	3,00,000/-	3,00,000/-
	- Compensation for Office premises	45,28,800/-	45,28,800/-
		1,32,83,878/-	1,21,44,541/-
ii)	Income Received by way of interest on Fixed Deposits from Central Bank of India	1,44,95,362/-	1,93,49,176/-
iii)	Dividend Paid to Central Bank of India	2,00,00,000/-	2,00,00,000/-
iv)	Deposits with Central Bank of India in	31.03.2019	31.03.2018
	- Fixed Deposits	19,12,63,390/-	18,90,63,390/-
	- Current Accounts		
	* Trust Current A/c No.1787420987	4,48,25,953/-	4,84,55,550/-
	* Company's A/c No.1787426399	18,39,069/-	24,66,732/-
	* Debenture Trust A/c No.1787421006 (ASRM)	48,38,056/-	48,38,056/-
	* Debenture Trust A/c No.1787419858 (Ambica Mills)	5,61,978/-	5,61,978/-
	* Debenture Trust A/c No.1787419961 (Tungbhadra)	6,23,154/-	6,23,154/-
	Total Deposits With CBI	24,39,51,600/-	24,60,08,860/-



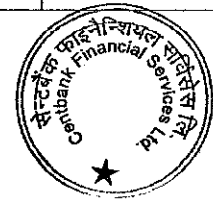
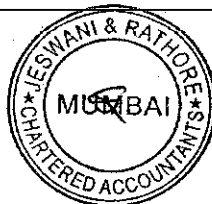
v)	Remuneration to Key Management Personnel	2018-19	2017-18
a	Mr. R L Wadhwa	-	8,11,783/-
b	Mr. U.K. Maheshwari	16,13,414/-	4,07,431/-
c	Mr. H V Kamdar	13,92,322/-	12,05,960/-

- H. 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 :

(Amount in Rs.)			
Sr. No	Particulars	31.03.2019	31.03.2018
1	Opening Deferred tax (Liability)/ Asset	56,74,364/-	65,35,147/-
2	Add/(Less):- Deferred Tax (Liability)/Asset for the year	3,48,639/-	(8,60,783)/-
3	Closing Deferred tax (Liability)/Asset	60,23,003/-	56,74,364/-

- I. With reference to income from Debenture & Security Trusteeship, invoices on following clients have not been raised as these accounts have turned into NPA and necessary legal actions have been initiated on these clients by lenders:

(Amount in Rs.)			
Sr. No.	Name of client	Fees/ Remuneration (FY 2018-19)	Fees/ Remuneration (FY 2017-18)
1	Shah Group Builders Ltd (Deb Trustee)	50,000	50,000
2	Shah Group Builders Ltd (Secu Trustee)	1,35,000	1,35,000
3	Topworth Tollways (Bela) P Ltd (Secu Trustee)	1,83,057	1,83,057
4	Transstroy Hostoke-Dobbaspel Tollways P Ltd (Secu Trustee)	3,50,000	3,50,000
5	Transstroy Obedullaganj-Betul Tollways P Ltd (Secu Trustee)	3,50,000	3,50,000
6	VIL Rohtak Jind Hind Highway P Ltd (Secu Trustee)	3,50,000	3,50,000
7	Kalisma Steels P Ltd (Secu Trustee)	1,74,740	-
8	Innoventive Industries Ltd (Secu Trustee)	5,00,000	-
	Total	20,92,797	14,18,057



J. Provision for doubtful debt(s) of Rs. 9,74,094/- has been made during the year. (Previous Year- Rs.7,30,671/-)

K. Contingent Liabilities not provided for:

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

L. Monthly compensation of 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.

M. Directors are pleased to recommend a final dividend of Rs.2,00,00,000/- for the F.Y. 2018-19 for approval of the members.

N. Cash and cash equivalents include amount(s) distributed by official liquidator for debenture holders of three companies which has been kept in separate bank accounts and the corresponding liability of same amount has been shown in other long term liability. The details of the same are as follows:

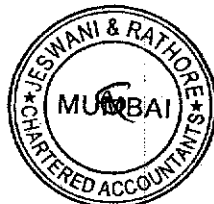
Sr.No.	Name of Company	Amount (Rs.)	Liquidated on
1	Shree Ambica Mills Ltd.	5,61,978	17-01-1997
2	Tungabhadra Industries Ltd	6,23,154	09-07-2001
3	AhmedabadRam Krishna Mill Ltd	48,38,056	17-01-1996

This amount will be paid as and when the debenture holders will submit their claims.

O. The Company is Debenture Trustee for the Non- convertible Debentures issued by Infrastructure Leasing & Financial Services Ltd (ILFS) and IL&FS Financial Services Ltd. (IFIN) These two companies have defaulted in service of interest on the said NCDs and also repayment on redemption of several series. In the capacity of Debenture Trustee, the Company has incurred expenses for regulatory and statutory actions. Amount of expense charged to Profit & Loss A/c are as follows:

Sr. No.	Name of company	Amount (Rs.)
1	Infrastructure Leasing & Financial Services Ltd.(ILFS)	1,15,346.00
2	IL&FS Financial Services Ltd. (IFIN)	1,20,938.12
	TOTAL	2,36,284.12

P. Provision of Corporate Social Responsibility (CSR) is not applicable to the company for F.Y. 2018-19.

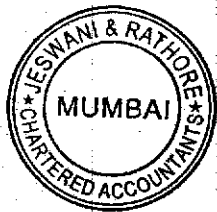


- Q. Other liability includes state cheques amounting to Rs. 33,990/- (Previous year Rs. 1,23,229/-).
Party wise details of the same are not available.
- R. Previous year's figures have been regrouped and rearranged wherever necessary.

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

For and on behalf of the Board of Directors

SSRasal



B S Shekhawat
(B S Shekhawat)
Chairman
DIN: 03267955

Sangeeta S Rasal
Partner
Mem. No. 137789

U K Maheshwari

(U K Maheshwari)
Managing Director
DIN: 08001179

H V Kamdar

(H V Kamdar)
Company Secretary
Mem No: F2418

Place: MUMBAI
Date: 3rd May, 2019

Place: MUMBAI
Date: 3rd May, 2019



CENTBANK FINANCIAL SERVICES LTD

CIN: U67110MH1929GOI001484

Registered Office: Central Bank of India MMO Building, 3rd 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)]

90th Annual General Meeting on Friday, 27 September 2019

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 90th Annual General Meeting of the Company to be held on Friday, 27 September 2019 at 12.00 hours at Opal Room, Chandermukhi, 11th 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 st March 2019, 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 st March 2019.		

3	Ordinary Resolution for appointment of Shri K Raghuraman, 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 2019-20.		
	<i>Special Business:</i>		
5	Ordinary Resolution for appointment of Shri Alok Srivastava as Director of the Company		

Signed this _____ day of September 2019

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.