August 26, 2020

To
National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051

Ref 1: **NSE Scrip Code: - CENTRUM**

Ref 2: **Your email dated December 24, 2019, seeking clarification on the Financial Results and various related communication on this subject.**

Respected Madam/ Dear Sir,

With reference to your queries/ clarifications sought on the results submitted by the Company ("Centrum Capital Limited") for the quarter ended June 30, 2019 and September 30, 2019 and further to our reply dated December 31, 2019, February 18, 2020 and June 13, 2020, we hereby submit as under:

We refer to your query/ clarification sought w.r.t. Item (2) in your mail dated December 24, 2019, pertaining to presentation of reconciliation of IGAAP and IND AS Consolidated results for interim periods (quarterly results), we submit as under:

a. Centrum Capital Limited adopted IND AS in FY19-20.
b. Centrum Capital Limited did not compile or report consolidated quarterly results till December 31, 2018, as the Company opted not to report consolidated quarterly financial results as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable during that period ("SEBI LODR"). Only standalone quarterly results were published by the Company till December, 2018.

We have evaluated the contents of SEBI circular dated July 5, 2016 on this subject that provides guidance for reporting financials results under IND AS from the relevant periods. It may be noted that the requirement to present profit/equity reconciliation in results furnished under Regulation 33 emanates from Para 32 of IND AS 101 "First-time Adoption of Indian Accounting Standards", reproduced below for ready reference:

"32. To comply with paragraph 23, if an entity presents an interim financial report in accordance with Ind AS 34 for part of the period covered by its first Ind AS financial statements, the entity shall satisfy the following requirements in addition to the requirements of Ind AS 34:
(a) Each such interim financial report shall, if the entity presented an interim financial report for the comparable interim period of the immediately preceding financial year, include:
(i) a reconciliation of its equity in accordance with previous GAAP at the end of that comparable interim period to its equity under Ind ASs at that date; and

(ii) a reconciliation to its total comprehensive income in accordance with Ind ASs for that comparable interim period (current and year to date).”

A plain reading of Para 32 (a) and 32(a) (ii) makes it clear that the entity, if it has “presented” or “Reported” comparable interim figures, has to furnish profit and equity reconciliation as per sub paras (i) and (ii) above. In the case of Centrum Capital Limited, the requirement is not applicable in as much as it never presented or reported interim consolidated results till March 31, 2019, the same being optional (For June 2018, September 2018 and December 2018, no consolidated results under IGAAP were furnished). The consolidated results have been reported or presented from the quarter ending June 31, 2019 onwards when it was notified as a mandatory requirement pursuant to amendments to SEBI LODR.

Standalone Unaudited Quarterly results of all consolidating entities for FY 18-19 under IND AS has been prepared during the current year (FY 19-20) and were used for the express purpose of compiling the Consolidated results (IND AS) for reporting (previous period) comparison of consolidated results under IND AS.

It may be noted that in the consolidated results published on June 25, 2020 for the Financial Year ended March 31, 2020, the reconciliation of profit and equity has been disclosed, as the Company had presented, as required by SEBI LODR, its consolidated results drawn in accordance with previous STANDARDS (IGAAP) for comparative financial year ended March 31, 2019 before migrating to IND AS. SEBI LODR requirement, at the relevant time, inter alia, required the Company to mandatorily report annual consolidated results.

In this context, we believe that the reconciliation (IGAAP to IND AS) of Unaudited Consolidated results for interim periods (Quarters) of FY 18-19 need not be published.

In the matter of reconciliation disclosure, we also sought views of our statutory auditor Haribhakti &Co. LLP, who vide Letter dated 26th Aug 2020 (copy enclosed for your reference) have also affirmed the position we have expressed in this regard i.e equity and profit reconciliation requirement would not apply to CCL in the given circumstances.

In the circumstances, we are of the view that we are in compliance with disclosure requirement of Regulation 33 of SEBI LODR while presenting consolidated Interim (Quarterly) results for financial year 2019-20.

Thanking you,

Yours Sincerely,
For Centrum Capital Limited

Centrum Capital Limited Mumbai

Company Secretary

Encl: Letter from Statutory Auditor

Centrum Capital Limited (CIN No.: L65990MH1977PLC019986)
Corporate Office : Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400 098. Tel : +91 22 4215 9000
Registered Office: 2nd Floor, Bombay Mutual Building, Dr. D. N. Road, Fort, Mumbai – 400 001. Tel: +91 22 2266 2434 Email : info@centrum.co.in ,Website : www.centrum.co.in

HARIBHAKTI & CO. LLP

Chartered Accountants

26th August, 2020.

Centrum Capital Limited
Centrum House, CST Road,
Vidyanagari Marg, Kalina,
Santacruz(e), Mumbai-400 098.

Dear Sir's,

Sub: **E-mail dated December 24, 2019 from NSE seeking clarification on Financial Results.**

We refer to your e-mail dated 25th August, 2020 enclosing therewith above referred e-mail received by you from National Stock Exchange of India Ltd (NSE) seeking clarification on the results submitted by Centrum Capital Limited ("the Company") for the quarter ended 30th June 2019 and 30th Sep 2019. We also have your response thereto dated 31st Dec 2019, 18th Feb, 2020 and 13th June, 2020. You have sought our views in regards to para 2 of e-mail of NSE which you believe relates to presentation of reconciliation of Indian GAAP and Ind AS in the consolidated results of the company for Q1 of financial year 2019-20.

We note that in the results published for Q1 of financial year 2019-20 and subjected to Limited Review by us, the company has for the first time provided results on consolidated basis apart from standalone as in earlier period in due compliance with amendment to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 effective 1st April 2019. For earlier period till December 2018, the company had opted to publish Quarterly results on standalone basis only. While presenting the consolidated results for Q1, the company presented comparative figures of quarter ended 30th June, 2018 drawn in accordance with Ind AS, the company having migrated to IND AS effective 1st April 2019. In this regard, we wish to draw reference to circular dated 5th July, 2016 from SEBI ("circular") which provided for formats for financial results and implementation of Ind AS by listed entities. We note that at para 2.8 under head "clarification on issues with regard to Ind AS implementation", circular provides that in order to comply with para 32 of Ind AS 101 " First -time Adoption of Ind AS" entities are required to provide reconciliation of equity and net profit/loss at year end and Quarterly financial results respectively. Profit/Loss reconciliation would be in regard to corresponding Quarter of previous year.

We note that on reading of para 32 of Ind AS 101 refereed in the circular, it provides for disclosure of reconciliation of equity and profit/ loss, in the event entity has presented or reported the corresponding figures under previous GAAP. As the company did not present or reported results of corresponding period on consolidated basis (i.e for Quarter ended 30th June 2018 in the instant case) under previous GAAP, the requirement of providing reconciliation would not apply. In this context we draw attention to para 2.10 of circular, which provides for entity to make reference to guidance provided by Ind AS rules in the event of any difficulty in implementation of circular.

HARIBHAKTI & CO. LLP * Chartered Accountants *

Contd:

In the circumstances, we are of the view that the company is in due compliance with disclosure requirement of Regulation 33 of LODR while presenting consolidated Q1 results for financial year 2019-20.

Hope this clarifies.

Yours faithfully,

CHARTERED ACCOUNTANTS

HARIBHAKTI & CO. LLP * Chartered Accountants *