

Audit Report
FOR THE YEAR ENDED ON 31/03/2019
OF

**ESSEL CENTRUM HOLDINGS
LIMITED**

**2ND FLOOR, BOMBAY MUTUAL BLDG,
DR. D. N. ROAD, FORT,
MUMBAI- 400001**

PAN: AABCE6253H



Vipul Amodwala & Associates
Chartered Accountants

**253 / 102, Pratap Enclave, Jawahar Nagar Road No. 15,
Goregaon (West), Mumbai - 400 104. Maharashtra.**
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INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF

ESSEL CENTRUM HOLDINGS LIMITED

Report on the Financial Statements

- 1 I have audited the accompanying financial statements of **ESSEL CENTRUM HOLDINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit & Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

- 2 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 financial statements to give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Auditor's Responsibility

- 3 My responsibility is to express an opinion on these financial statements based on my audit.
- 4 I have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
- 5 I conducted my audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute Of Chartered Accountants of India. Those Standards and pronouncements require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 6 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 7 I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Financial Statements.

Opinion

- 8 In my opinion and to the best of my information and according to the explanations given to me, the aforesaid 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 31st March, 2019 and its *Loss* for the year ended on that date.

Report on other Legal and Regulatory Requirements

- 9 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to the company as the same is a Private Limited Company covered under the exemptions provided under the said Order.
- 10 As required by Section 143(3) of the Act, I report that:
- a) I have sought and obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of my audit.
 - b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
 - c) The Balance Sheet and the Statement of Profit & Loss dealt with by this Report are in agreement with the books of account.
 - d) In my opinion, the aforesaid financial statements comply with 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 31st March, 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 my separate Report in Annexure A.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors)



Rules, 2014, in my opinion and to the best of my knowledge and belief and according to the information and explanations given to me :

- i) The Company has disclosed the impact, if any, of pending litigations as at 31st March, 2019 on its financial position in its financial statements.
- ii) The Company did not have any Long-term contracts including derivative contracts as at 31st March, 2019 for which there were any material foreseeable losses.
- 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 31st March, 2019.

For Vipul Amodwala & Associates

(Chartered Accountants)

Vipul Amodwala

Vipul Amodwala

Proprietor



Place: Mumbai

Dated: 21th May, 2019



ANNEXURE A TO THE AUDITOR'S REPORT (Contd.)

Re: **ESSEL CENTRUM HOLDINGS LIMITED**

Referred to in paragraph 10(f) of the Independent Auditor's Report of even date to the members of **ESSEL CENTRUM HOLDINGS LIMITED** on the financial statements for the year ended on 31st March, 2019.

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

- 1 I have audited the internal financial controls over the financial reporting of **ESSEL CENTRUM HOLDINGS LIMITED** ("the Company"), as of 31st March, 2019, in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

- 2 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 the 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 Act.



Auditor's Responsibility

- 3 My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act 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 ICAI. Those Standards and the Guidance Note require that I comply with ethical requirement 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.
- 4 My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. My 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 financial statements, whether due to fraud or error.
- 5 I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

- 6 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, accuracy 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

- 7 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

- 8 In my opinion, the company has, in all material respects, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st 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.

For Vipul Amodwala & Associates

(Chartered Accountants)

Vipul Amodwala

Vipul Amodwala

Proprietor

Place: Mumbai

Date: 21th May, 2019



ESSEL-CENTRUM HOLDINGS LIMITED
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note No.	As at 31st March 2019		As at 31st March 2018	
		(₹)		(₹)	
I. EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	1	15,000,000		3,000,000	
Reserves and Surplus	2	195,905	15,195,905	234,587	3,234,587
Current Liabilities					
Other current liabilities	3	20,000	20,000	14,750	14,750
TOTAL			15,215,905		3,249,337
II. ASSETS					
Current Assets					
Cash and cash equivalents	4	15,206,967		3,249,337	
Other Current Assets	5	8,938	15,215,905		3,249,337
TOTAL			15,215,905		3,249,337

The notes attached form an integral part of the Balance Sheet

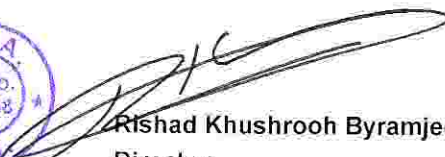
As per our report of even date attached

For Vipul Amodwala & Associates
Chartered Accountants
Firm Reg. No. 115282W

For & On Behalf of the Board of
Essel-Centrum Holdings Limited


Vipul Amodwala
Proprietor
M.No. 046958
Place : Mumbai
Date : 21st May, 2019




Rishad Khushrooh Byramjee
Director
Din: 00164123


Shailendra Kishor Apte
Director
Din: 00017814



ESSEL-CENTRUM HOLDINGS LIMITED
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note No.	Year Ended March,2019	Year Ended March,2018
		₹	₹
Revenue From Operation	6	-	-
Other Income		89,384	-
Total revenue (I + II)		89,384	-
Expenses	7		
Other expenses		128,066	32,299
Total Expenses		128,066	32,299
Profit/(Loss) before tax		(38,682)	(32,299)
Tax expense:			
Current tax		-	-
Profit/(Loss) for the year		(38,682)	(32,299)
Earning per equity share:			
Basic & Diluted		(0.03)	(0.11)


The notes attached form an integral part of the Statement of Profit and Loss

As per our report of even date attached
For Vipul Amodwala & Associates
Chartered Accountants
Firm Reg. No. 115282W

For & On Behalf of the Board of
Essel-Centrum Holdings Limited


Vipul Amodwala
Proprietor
M.No. 046958
Place : Mumbai
Date : 21st May, 2019




Rishad Khushrooh Byramjee
Director
Din: 00164123



Shailendra Kishor Apte
Director
Din: 00017814



ESSEL-CENTRUM HOLDINGS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Current reporting period		Previous reporting period	
	₹	₹	₹	₹
Cash flows from operating activities				
Profit before taxation		(38,682)		(32,299)
Adjustments for:				
Depreciation and amortization expense	-		-	
Interest received	(89,384)		-	
Dividends received	-		-	
Interest expenses	-		-	
		(89,384)		-
		(128,066)		(32,299)
(Increase)/ decrease in trade and other receivables	-		-	
(Increase)/ decrease in inventories	-		-	
Increase/ (decrease) in trade payables	5,250		(10,825)	
		5,250		(10,825)
		(122,816)		(43,124)
Income taxes paid		(8,938)		-
<i>Net cash from operating activities</i>		(131,754)		(43,124)
Cash flows from investing activities				
Purchase of property, plant and equipment	-		-	
Proceeds from sale of property, plant and equipment	-		-	
Purchase of investments	-		-	
Proceeds from sale of investments	-		-	
Interest received	89,384		-	
Dividend received	-		-	
<i>Net cash from investing activities</i>		89,384		-
Cash flows from financing activities				
Interest paid	-		-	
Proceeds from Call Money Received during the year	12,000,000		-	
Dividend paid	-		-	
<i>Net cash from financing activities</i>		12,000,000		-
Net increase/(decrease) in cash and cash equivalents		11,957,630		(43,124)
Cash and cash equivalents at beginning of reporting period		3,249,337		3,292,461
Cash and cash equivalents at end of reporting period		15,206,967		3,249,337

As per our report of even date attached
For Vipul Amodwala & Associates
Chartered Accountants
Firm Reg. No. 115282W


Vipul Amodwala
Proprietor
M.No. 46958
Place : Mumbai
Date : 21st May, 2019



For & On Behalf of the Board of
Essel-Centrum Holdings Limited


Rishad Khushrooh Byramjee
Director
Din: 00164123


Shailendra Kishor Apte
Director
Din: 00017814



ESSEL-CENTRUM HOLDINGS LIMITED
NOTES TO FINANCIAL STATEMENTS

1 Share Capital:

Particulars	As at 31st March 2019		As at 31st March 2018	
	₹		₹	
Authorized:				
Equity shares of ₹ 10 /- each	2,000,000	20,000,000	2,000,000	20,000,000
	<u>2,000,000</u>	<u>20,000,000</u>	<u>2,000,000</u>	<u>20,000,000</u>
Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 /- each				
At the beginning of the reporting period	50,000	500,000	50,000	500,000
Call money raised and fully paid during the reporting period	1,450,000	14,500,000	-	-
At the close of the reporting period	<u>1,500,000</u>	<u>15,000,000</u>	<u>50,000</u>	<u>500,000</u>
Issued, subscribed but not fully paid up:				
Equity shares of ₹ 10/- each, ₹ 2/- Paid Up	1,050,000	2,100,000	1,050,000	2,100,000
Equity Shares of ₹ 10/- each, ₹ 1/- Paid Up	400,000	400,000	400,000	400,000
At the beginning of the reporting period	<u>1,450,000</u>	<u>2,500,000</u>	<u>1,450,000</u>	<u>2,500,000</u>
Call money raised during the reporting period				
Equity shares of ₹ 10/- each, ₹ 2/- Paid Up	1,050,000	8,400,000		
Equity Shares of ₹ 10/- each, ₹ 1/- Paid Up	400,000	3,600,000		
Total	<u>1,450,000</u>	<u>14,500,000</u>	<u>1,450,000</u>	<u>2,500,000</u>
At the close of the reporting period			<u>1,500,000</u>	<u>3,000,000</u>



ESSEL-CENTRUM HOLDINGS LIMITED
NOTES TO FINANCIAL STATEMENTS

	As at 31st March 2019	As at 31st March 2018
₹		
2 Reserves and Surplus:		
Balance at the beginning of the year	234,587	266,886
Add : Profit during the year	(38,682)	(32,299)
Balance as at end of the year	<u>195,905</u>	<u>234,587</u>
3 Other current liabilities:		
Other payables	20,000	14,750
	<u>20,000</u>	<u>14,750</u>
4 Cash and cash equivalents:		
Balances with banks		
- in other accounts	12,175,511	3,248,987
- Fixed Deposit with HDFC Bank	3,031,106	-
Cash on hand	350	350
	<u>15,206,967</u>	<u>3,249,337</u>
5 Other Current Assets		
TDS On Income	8,938	-
	<u>8,938</u>	<u>-</u>
Particulars	Year Ended March,2019	Year Ended March,2018
6 Other Income:		
Interest on FD	89,384	-
	<u>89,384</u>	<u>-</u>
7 Other expenses:		
Payment to the auditors		
- as auditor	20,000	14,750
Legal and professional charges	84,293	7,000
Other Expenses		
- Filing Fees	20,900	9,915
- Bank Charges	2,873	345
-Miscellaneous Expenses	-	289
	<u>128,066</u>	<u>32,299</u>



ESSEL-CENTRUM HOLDINGS LIMITED
NOTES TO FINANCIAL STATEMENTS

	Rs in	
Particulars	For the current reporting period	For the previous reporting period
Earnings per share:		
Profit for the year after tax expense	(38,682)	(32,299)
Adjustment for Extraordinary item (net of tax)	-	-
	(38,682)	(32,299)
Weighted average number of equity shares	1,500,000	300,000
Earning per share	(0.03)	(0.108)



ESSEL-CENTRUM HOLDINGS LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

7. SIGNIFICANT ACCOUNTING POLICIES:

METHOD OF ACCOUNTING:

The Financial Statements have been prepared on the basis of historical cost convention, in accordance with applicable accounting standards by Companies (Accounting Standards) Rules, 2014 and the relevant provision of the of the Companies Act, 2013 ("the Act") and on the principles of a going concern. All expenses and incomes to the extent ascertainable with reasonable certainty are accounted for on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

USE OF ESTIMATES:

The Presentation of Financial Statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimated.

REVENUE RECOGNITION:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Consultancy fees are accounted on accrual basis.

FIXED ASSETS:

Fixed Assets are stated at their original cost of acquisition/installation, net of depreciation, amortization and impairment losses, if any. Cost comprises purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

DEPRECIATION:

Depreciation on Fixed assets are provided on straight line method over the useful lives of assets as prescribed in Schedule XIV of the Companies Act, 1956 except for leasehold improvements. Leasehold improvements are amortized over a period of lease or useful life whichever is less.

BORROWING COST:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are charged to revenue.

PROVISION FOR RETIREMENT BENEFITS:

- i. The company's employee benefits primarily cover provident fund.
- ii. Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are changes to the profit and loss account in the year in which they accrue.
- iii. Gratuity Liability is a defined benefit obligation and is accounted upon completion of mandatory period of service.
- iv. Liability for leave encashment is accounted on the basis of Actuarial Valuation as on the date of balance sheet.
- v. The company has adopted Accounting Standard (AS)-15 (Revised), 'Employee benefits' issued by the Institute of Chartered Accountants of India.



ESSEL-CENTRUM HOLDINGS LIMITED

PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

A Provision is recognized when the Company has a present obligation as a result of past events and it is probable that an out flow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on estimate of amount required to settle the obligation at the balance sheet date and adjusted to reflect the current best estimates. Contingent assets are not recognized.

TAXATION:

Provision for current income tax is made in accordance with the Income Tax Act, 1961. Deferred Tax Liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

EARNINGS PER SHARE:

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

IMPAIRMENT:

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of Profit and Loss and carrying amount of the asset is reduced to its recoverable value.

8. Notes to Accounts

- a. Credit and Debit balance of the parties are subject to confirmation/reconciliation if any.
- b. The balance sheet to the best of our knowledge and belief contains a true account of liabilities and assets of the company. In the opinion of the Directors, the current assets, Loans and Advances are appropriately stated as its value, if realized in the ordinary course of business. The provisions for all the known liabilities are adequate and there is no Contingent Liabilities.
- c. In accordance with the Accounting Standards AS-22 "Accounting for Taxable Income" issued by the Institute of Chartered Accountants of India, the Company has not accounted for the Deferred Tax Assets, as there is no reasonable certainty that sufficient future taxable income will be available against amount of business loss, as a method of prudence the deferred tax assets has not been recognized.
- d. There are no Small Scale Industry Micro and Medium Enterprises undertakings to whom the company owe a sum exceeding Rupee which is outstanding for more than 30 days. (as certified by the management).
- e. The accounts have been prepared under the going concern assumption in spite of the losses incurred by the company. The management is of the view that in spite of losses the company will able to carry the operations in the future and it will recoup the losses incurred.
- f. The balance sheet abstract and the Company's General Business Profile as required under Part IV of schedule VI of the Companies Act, 1956, is given in Annexure – A.
- g. Information required to be furnished pursuant to Para 3 & 4 of the part II of schedule VI of the Companies Act, 1956, the extent applicable.



ESSEL-CENTRUM HOLDINGS LIMITED

h.	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Audit Fees	20,000	12,500
	Service Tax/GST	NIL	2,250

Earning in Foreign Currency	NIL	NIL
Expenditure in Foreign Currency		
Conference & Seminar Expenses	NIL	NIL
Travelling Expenses	NIL	NIL

Earning Per Shares

i.	Particular	31 st March, 2019	31 st March, 2018
	Profit/(Loss) after Tax as per profit & loss A/c	(38,682)	(32,299)
	Weighted average number of equity shares	15,00,000	3,00,000
	Earning per share	(0.03)	(0.11)

- j. Previous year figures have been regrouped or rearranged wherever necessary.
- k. Additional information pursuant to the provisions of paragraph 2.3 & 4 (c) & (d) of part II of the schedule VI of the Act are either NIL or not applicable.
- l. Schedule 1 to 9 forms an integral part of account.

As per our attached report of even date
For Vipul Amodwala & Associate
Firm Reg. No. 115282W
Chartered Accountants

For and on behalf of Board of Directors
Essel-Centrum Holdings Limited

Vipul Amodwala

Vipul Amodwala
Proprietor
M. No. 046958
Place: Mumbai
Date:



Rishad Khushrooh Byramjee
Rishad Khushrooh Byramjee
Director
Din:00164123

Shailendra Kishor Apte

Shailendra Kishor Apte
Director
Din:00017814



