

BOARD REPORT

Dear Members,

Your Directors have pleasure in presenting this 16th Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2017.

1. Financial Summary or performance of the company:

PARTICULARS	YEAR ENDED 31.03.2017 (In ₹)	YEAR ENDED 31.03.2016 (In ₹)
Operating Income	10,79,40,836.93	700,03,695.00
Other Income	84,75,805.95	3,05,08,499.83
Total Income	11,64,16,642.88	10,05,12,194.83
Profit before Taxation	8,81,48,680.97	7,34,06,203.72
Profit after Taxation	6,01,65,674.31	5,11,23,999.38

2. Operations

The Company has reported total income of ₹10,79,40,836.93 for the current year as compared to ₹700,03,695.00 in the previous year. The Net profit for the year under review amounted to ₹6,01,65,674.31 in the current year as compared to Net profit of ₹5,11,23,999.38 in the previous year. There were increase in revenue and profits due to increase in Insurance Policy Sales.

3. Transfer to reserves

The Company has transferred ₹6,01,65,674.31 to General Reserves.

4. Dividend

Board of Directors decided not to recommend any dividend for financial year 2016-17.

5. Material Changes during financial year.

During the Financial Year under review Board of Directors of your company had approved transfer of shares to Muthoot Finance Limited (MFIN) in order to become a wholly owned subsidiary of MFIN.

MFIN, the flagship company of the Muthoot Group, is a listed public company and a Systemically Important Non-Deposit taking NBFC registered with Reserve Bank of India (RBI), having an authorized share capital of Rs. 950 crores and a paid up share capital of Rs 398 crores.

Company have three fellow subsidiaries i.e. Muthoot Homefin (India) Ltd, Kochi, Kerala, Belstar Investments and Finance Pvt Ltd., Chennai, Tamilnadu and Asia Asset, Finance, PLC, Colombo, Sri Lanka during the financial year.

There are no materials changes post balance sheet date for Financial Year ended March 31, 2017.

6. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

7. Subsidiary Company:

As on March 31, 2017, the Company does not have any subsidiary.

8. Statutory Auditor & Audit Report:

M/s. Joly Varghese, Chartered Accountant, statutory auditor of the Company having Membership number 213599 hold office until the conclusion of the 18th Annual General Meeting subject to the ratification of the members at every Annual general meeting. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed.

There are no qualifications or observations or remarks made by the Auditors in their Report.

9. Change in the nature of business :

There is no change in the nature of the business of the company

10. Details of directors or key managerial personnel;

The Board of our Company consists of six directors as on the date of this report as follows.

1. George Alexander Muthoot
2. George Jacob Muthoot
3. George M George
4. George M Alexander
5. Sunil Koshy Zachariah
6. Alexander M George

All the Directors of the Company have rich experience and specialized knowledge in various areas of relevance to the Company. The Company has immensely benefited by the range of experience and skills that the directors bring to the Board.

Mr. George M George (DIN: 00018329), retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommends the re-appointment of Mr. George M George as a Director of the Company. Recommendation for re-appointment is mentioned in notice of the AGM.

Mr. George M Alexander, Director (DIN: 00018384), retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommends the re-appointment of Mr. George M Alexander as a Director of the Company. Recommendation for re-appointment is mentioned in notice of the AGM.

During the year under review, Mr. Thomas P Rajan was appointed as Chief Executive Officer of the Company.

11. Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2017. There were no unclaimed or unpaid deposits as on March 31, 2017.

12. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

13. Number of meeting of the Board:

During the year 2016-17, the Board of Directors met Four times viz. on 20th

June, 2016, 27th July, 2016, 25th October, 2016 and 25th January, 2017.

14. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2017 and of the profit and loss of the company for that period;

(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors had prepared the annual accounts on a going concern basis; and

(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. Declaration by Independent Directors

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

16. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;

The Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

17. Particulars of loans, guarantees or investments under section 186:

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments except as provided under Note for disclosure under Section 186(4) of Companies Act, 2013 in Notes of Account in Financials of the Company, The note is self-explainable and stated transactions are in compliance of requirement of Section 186 of Companies Act, 2013 and investment in NCDs are in ordinary course of business and they were raised for general business purposes.

18. Particulars of Employee:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014.

19. EXTRACT OF THE ANNUAL RETURN IN FORM MGT-9:

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is Attached as Annexure MGT 9.

20. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Board has constituted a Corporate Social Responsibility committee in accordance with the requirements of Section 135 of the Companies Act, 2013. The Annual report on CSR activities as required under the Companies (CSR Policy) Rules, 2014 is attached to this report as Annexure B.

21. Related Party Transactions:

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2 annexed to report.

Transactions in ordinary course of business which are not material under Policy of the Company are provided under disclosure requirement under AS-18 in notes of accounts of the Company.

Board of Directors are/were of view that all transactions disclosed were in Arm's Length Basis in ordinary course of business.

22. Acknowledgments:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to Insurance Regulatory Development Authority (IRDA), its customers and Muthoot Finance Limited, the holding Company,

for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors

GEORGE ALEXANDER MUTHOOT
Director
DIN: 00016787

GEORGE JACOB MUTHOOT
Director
DIN: 00018235

Place: Ernakulam
Date: 22.06.2017

ANNEXURE - A

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

(A) Conservation of energy-

- (i) the steps taken or impact on conservation of energy: NIL
- (ii) the steps taken by the company for utilising alternate sources of energy: NIL
- (iii) the capital investment on energy conservation equipments: NIL

(B) Technology absorption-

- (i) the efforts made towards technology absorption: NIL
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) in case of imported technology (imported during the last three years

reckoned from the beginning of the financial year)- : NIL

- (iv) the expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo-

There is no Foreign exchange earnings and Outgo during the year.

AOC - 2

Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014:*

1. **Details of contracts or arrangements or transactions not at arm's length basis: Nil**
2. **Details of material contracts or arrangement or transactions at arm's length basis: Nil**

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
			NIL		

For and on behalf of the Board of Directors

GEORGE ALEXANDER MUTHOOT
Director
DIN: 00016787

GEORGE JACOB MUTHOOT
Director
DIN: 00018235

Place: Ernakulam
Date: 22.06.2017

Annexure- B

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Company's CSR policy encompasses the company's philosophy for delineating its responsibility as a corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities/ projects and programmes for welfare, sustainability and development of community at large. Company has focused on Health awareness and is in the process of expanding its CSR activities.

2. The CSR Committee constituted by our Directors by a board resolution dated 25.01.2017 and comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Sunil Koshy Zachariah	Chairman	Independent Director
Mr. George Alexander Muthoot	Member	Non-Executive Non Independent Director
Mr. George M Alexander	Member	Non-Executive Non-Independent Director

3. Average net profit of the company for last three financial years: Rs. 3,47,82,204.50/-

4. Prescribed CSR Expenditure : Rs. 6,95,644/-.

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year: Rs 6,00,000/-

(b) Amount unspent, if any: Rs. 95,644/-

(c) Manner in which the amount spent during the financial year is detailed below.

Sl. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs		Amount outlay (budget) project or programs wise	Amount spent on the projects or programs		Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementation agency
			Local area or other	Specify the State and district where projects or programs was undertaken		Direct expenditure on projects or programs	overheads		
1	Medical Assistance	Health Care	South India	Kerala	Rs.600,000/-	Rs.600,000/-		Rs.600,000/-	Muthoot M George Foundation, Implementing Agency for CSR activities

5. Justification for unspent money out of 2% of the average net profit of the last financial years.

The Company has spent Rs. 600,000/- as CSR expenditure. However, this amount is short of amount required to be spend under Section 135 of the Companies Act, 2013 as during the year the Company focused on creating required framework which will be helpful in identifying suitable projects and better and meaningful spending of CSR contribution.

6. Responsibility Statement of the CSR Committee for the implementation and monitoring of CSR policy in compliance with CSR objectives and policy of the Company.

The Company understands that in order to continue to prosper over the long term, community, environment activities are aimed at driving the above values through its initiatives in the areas of education, environment and customer protection.

For and on behalf of the Board of Directors of

M/s. MUTHOOT INSURANCE BROKERS PRIVATE LIMITED

George Alexander Muthoot
Director (DIN: 00016787)

George Jacob Muthoot
Director (DIN: 00018235)

Sunil Koshy Zachariah
Chairman- CSR Committee (DIN: 00306625)

Place: Ernakulam
Date: 22.06.2017

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	U67200KL2002PTC015200
2	Registration Date	23/01/2002
3	Name of the Company	MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
4	Category/Sub-category of the Company	Private Limited Company
5	Address of the Registered office & contact details	3RD FLOOR, MUTHOOT CHAMBERS, BANERJI ROAD ERNAKULAM KL 682018 IN
6	Whether listed company	Unlisted
7	Name, Address & contact details of the Registrar & 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)

SL.N O	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Insurance, reinsurance and pension funding, except compulsory social security	65	100%

b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals		-	-	-	-	-	-	-	-
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 Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	500000	500000	100	-	500000	500000	100	-

B) Shareholding of Promoter-

Sl. No	Shareholder's Name	Shareholding at the beginning of the year 2016-17			Shareholding at the end of the year 2016-17			% 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	George Alexander Muthoot	200000	40	Nil	-	-	Nil	100
2	Anna Alexander	100000	20	Nil	-	-	Nil	100
3	George M Alexander	100000	20	Nil	-	-	Nil	100
4	George Jacob Muthoot	100000	20	Nil	-	-	Nil	100
5	Muthoot Finance Ltd	-	-	-	500000	100	Nil	100
	Total	500000	100	Nil	500000	100	Nil	-

C) Change in Promoters' Shareholding

1. Mr. George Alexander Muthoot

Sl. No.		Shareholding at the beginning of the year 2016-17		Cumulative Shareholding during the Year 2016-17	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	200000	40	200000	40
2	Date wise Increase / Decrease in Shareholding during the year: Decrease by way of transfer	200000	40	NIL	NIL
3	At the end of the year	NIL	NIL	NIL	NIL

2. Ms. Anna Alexander

Sl. No.		Shareholding at the beginning of the year 2016-17		Cumulative Shareholding during the Year 2016-17	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

1	At the beginning of the year	100000	20	100000	20
2	Date wise Increase / Decrease in Shareholding during the year: Decrease by way of transfer	100000	20	NIL	NIL
3	At the end of the year	NIL	NIL	NIL	NIL

3. Mr. George M Alexander

Sl. No.		Shareholding at the beginning of the year 2016-17		Cumulative Shareholding during the Year 2016-17	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	100000	20	100000	20
2	Date wise Increase / Decrease in Shareholding during the year: Decrease by way of transfer	100000	20	NIL	NIL
3	At the end of the year	NIL	NIL	NIL	NIL

4. Mr. George Jacob Muthoot

Sl. No.		Shareholding at the beginning of the year 2016-17		Cumulative Shareholding during the Year 2016-17	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	100000	20	100000	20
2	Date wise Increase / Decrease in Shareholding during the year: Decrease by way of transfer	100000	20	NIL	NIL
3	At the end of the year	NIL	NIL	NIL	NIL

5. Muthoot Finance Ltd

Sl. No.		Shareholding at the beginning of the year 2016-17		Cumulative Shareholding during the Year 2016-17	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	NIL	NIL	NIL	NIL
2	Date wise Increase / Decrease in Shareholding during the year:				
	Increase by way of transfer from Mr. George Alexander Muthoot	200000	40	200000	40
	Increase by way of transfer from Ms. Anna Alexander	100000	20	300000	60
	Increase by way of transfer from Mr. George M Alexander	100000	20	400000	80
	Increase by way of transfer from Mr. George Jacob Muthoot	100000	20	500000	100
3	At the end of the year			500000	100

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 2016-17		Cumulative Shareholding during the Year 2016-17	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	NIL	NIL	NIL	NIL
2	Date wise Increase / Decrease in Shareholding during the year:	NIL	NIL	NIL	NIL
3	At the end of the year(or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year 2016-17		Cumulative Shareholding during the Year 2016-17	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	George Alexander Muthoot				
	At the beginning of the year	200000	40	200000	40
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): Decrease by way of transfer to Muthoot Finance Ltd	200000	40	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
2	George M Alexander				
	At the beginning of the year	100000	20	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): Decrease by way of transfer to Muthoot Finance Ltd	100000	20	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
3.	George Jacob Muthoot				
	At the beginning of the year	100000	20	100000	20
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): Decrease by way of transfer to Muthoot	100000	20	NIL	NIL

	Finance Ltd				
	At the end of the year	NIL	NIL	NIL	NIL
4	Thomas Painummoottil Rajan (CEO-KMP) At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
5	Alexander M George				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
6	George M George				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
7	Sunil K Zachariah				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): Decrease by way of transfer to Muthoot Finance Ltd	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sl No:	Particulars of Remuneration:	Name of MD/WTD/ Manager			Total Amount (Rs.)
		Whole-time Director	Whole-time Director	Whole-time Director	
1	Gross salary for 2015-16				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(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	-	-	-	-
	Total (A)				
	Total Managerial Remuneration during the Financial Year				
	Ceiling as per the				

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	-	-
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify		-
	Remunaraition	-	-
	Total (1)	-	-
2	Other Non-Executive Directors	Mr. Sunil K Zechariah	-
	Fee for attending board committee meetings	0.80 lakhs Rs.	-
	Commission	-	-
	Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Salary Rs. in lakhs

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary		-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.50	-	-	-
	(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	11.50	-	-	-

D. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

GEORGE ALEXANDER MUTHOOT

Director
DIN: 00016787

GEORGE JACOB MUTHOOT

Director
DIN: 00018235

Place: Ernakulam

Date: 22.06.2017



INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
MUTHOOT INSURANCE BROKERS PRIVATE LIMITED.**

Report on the Financial Statements

I have audited the accompanying financial statements of MUTHOOT INSURANCE BROKERS PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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

My responsibility is to express an opinion on these financial statements based on my audit.

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

I conducted my audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on my 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, I consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.



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

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;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, I give in the **Annexure-A** a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, 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 purposes of My audit.
 - b) In my opinion proper books of account as required by law have been kept by the Company so far as appears from My examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In my opinion, the aforesaid 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 written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, 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 B**"; and
 - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in my opinion and to my best of my information and according to the explanations given to me:
 - i. The Company did not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.



- iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The Company did not have any holdings or dealings in specified bank notes during the period from 8th November,2016 to 30th December 2016.

Place : Ernakulam
Date : 25/04/2017


JOLY VARGHESE B.Sc., F.C.A
Chartered Accountant
M. No. 213599



“ANNEXURE- A” TO THE INDEPENDENT AUDITORS’ REPORT

The Annexure -A referred to in my Audit report to the members of MUTHOOT INSURANCE BROKERS PRIVATE LIMITED for the year ended 31st March, 2017.

On the basis of the information and explanation given to us during the course of our audit, I report that:

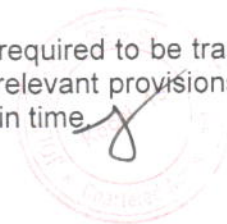
1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to me, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification. In my opinion and according to the information and explanations given to me, no fixed asset has been disposed off during the year and therefore does not affect the going concern of the company.

(c) . Total Assets of company not includes Immovable property.
2. (a) As the Company is a Service Company the company does not hold any inventory during the period under audit. Therefore the provision of this clause does not applicable to the company.
3. According to the information and explanations given to me and on the basis of My examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act. Thus sub clauses (a) & (b) are not applicable to the company.
4. In My opinion and according to the information and explanations given to me, The provisions of section 185 of the Act are not applicable to the Company. The Company has complied with the provisions of section 186 of the Act to the extent applicable.
5. In My opinion and according to the information and explanations given to me company hasn't accepted any deposits, from the directives issued by the Reserve Bank of India and as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act
6. As per information & explanation given by the management maintenance of cost records prescribed by the Central Government under clause (d) of sub-section (1) of section 148 of the Act is not applicable to the company.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, wealth Tax, Service Tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to me there were no outstanding statutory dues as on 31st of March, 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to me, there is no amounts payable in respect of income tax, wealth tax, service tax and sales tax, which have not been deposited on account of any disputes.

(c) In My opinion there is no amount pending which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under within time.



8. In my opinion and according to the information and explanation given to me, Since the Company does not have any borrowing from Financial Institution ,bank, Government and through debentures ,the provisions of the clause 3 (VIII) of the order are not applicable to the company.
9. Based on My audit procedures and on the information and explanations given by the management, The company has not taken any Term loan either from financial institutions or from the government and has not issued any debentures. Accordingly ,the provisions of the clause 3(ix)of the order are not applicable to the company
10. Based on My audit procedures and on the information and explanations given by the management ,I report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year
11. Since the company is private limited company provisions of section 197 not applicable.
12. In my opinion the company is not a Nidhi company therefore, the provisions of clause 4 (xii) of the order are not applicable to the company
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
14. Based on My audit procedures and on the information and explanations given by the management The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly the provisions of clause 3 (XIV) of the order are not applicable to the company
15. Based on My audit procedures and on the information and explanations given by the management The company hasn't entered into any non-cash transactions with directors or persons connected with him. Accordingly the provisions of clause 3 (XV) of the order are not applicable to the company.
16. Based on My audit procedures and on the information and explanations given by the management The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly the provisions of clause 3 (XVI) of the order are not applicable to the company.

Place : Ernakulam
Date : 25-04-2017



ANNEXURE - B TO THE AUDITORS' REPORT

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

I have audited the internal financial controls over financial reporting of **MUTHOOT INSURANCE BROKERS PRIVATE LIMITED**. ("The Company") as of 31 March 2017 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

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.

Auditors' Responsibility

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, 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 I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 lackness 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.

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

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 unauthorised 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

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.

Opinion

In My opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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 : **Ernakulam**
Date : 25-04-2017



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Ernakulam - 682018


BALANCE SHEET AS AT 31st MARCH 2017

Particulars	Note No.	As on 31/03/2017	As on 31/03/2016
		Rs.	Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	3	50,00,000.00	50,00,000.00
(b) Reserves & Surplus	4	16,57,68,375.94	10,56,02,701.62
		<u>17,07,68,375.94</u>	<u>11,06,02,701.62</u>
Non-current liabilities			
(a) Deferred Tax Liabilities (Net)	9	79,794.59	(22,836.41)
Current liabilities			
(a) Other Current Liabilities	5	42,83,303.85	5,21,396.00
(b) Short Term Provision	6	55,48,937.12	99,41,595.34
TOTAL		<u>18,06,80,411.49</u>	<u>12,10,65,692.96</u>
ASSETS			
Non-Current Assets			
(a) Fixed Assets	7		
(i) Tangible Assets		14,32,620.40	14,98,788.48
(i) Intangible Assets		3,51,878.00	5,10,318.00
(b) Non-Current Investments	8	14,00,00,000.00	-
(c) Long term Loans & Advances	10	22,60,000.00	9,72,60,000.00
Current Assets			
(a) Trade Receivables	12	2,19,73,197.96	76,50,854.00
(b) Cash and Cash Equivalents	13	97,05,093.35	97,58,527.07
(c) Other Current Assets	14	49,57,621.78	43,64,369.00
TOTAL		<u>18,06,80,411.49</u>	<u>12,10,42,856.55</u>

Notes on accounts form part of final accounts
 For Muthoot Insurance Brokers Pvt Ltd

As per my audit report of even date attached


 George Alexander Muthoot
 Director


 George Jacob Muthoot
 Director


JOLY VARGHESE B.Sc., F.C.A.
 Chartered Accountant
 M. No. 213599



Place: Cochin
 Date : 25-04-2017


MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Ernakulam - 682018

STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED 31th MARCH 2017

Particulars	Note No.	Year ended	Year ended
		31/03/2017	31/03/2016
		Rs.	Rs.
I. INCOME			
Revenue from operations	15	10,79,40,836.93	7,00,03,695.00
Other Incomes	16	84,75,805.95	3,05,08,499.83
TOTAL		11,64,16,642.88	10,05,12,194.83
II. EXPENSES			
Employee Benefits	17	2,24,73,048.00	2,28,29,336.00
Finance cost	18	-	7,960.00
Depreciation & Amortisation	7	6,23,207.08	3,83,271.96
Other Expenses	19	51,71,706.82	38,85,423.15
TOTAL		2,82,67,961.90	2,71,05,991.11
III. Profit Before Tax		8,81,48,680.97	7,34,06,203.72
1) Current Tax		2,96,20,861.00	2,21,18,245.34
2) Deferred Tax		1,02,631.00	1,63,959.00
3) Excess Provision Write off		17,40,485.34	0.00
IV. Profit After Tax		6,01,65,674.31	5,11,23,999.38
Earnings Per Share	20	120.33	102.25

Notes on accounts form part of final accounts
For Muthoot Insurance Brokers Pvt Ltd

As per my audit report of even date attached


George Alexander Muthoot
Director


George Jacob Muthoot
Director


JOLY VARGHESE B.Sc., F.C.A
Chartered Accountant
M. No : 213599



Place: Cochin
Date : 25-04-2017

MUTHOOT INSURANCE BROKERS PRIVATE LIMITED**Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Ernakulam - 682018****CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017****For the Period ended**

Particulars	31 March, 2017	31st March, 2016
Cash Flow from Operating activities :		
Net profit before tax	8,81,48,680.97	7,34,06,203.72
Adjustments for:		
Add: Depreciation and amortisation	6,23,207.08	3,83,271.96
Add: Finance Cost	-	7,960.00
Less: Interest received on Bank Deposits	(67,46,353.95)	(53,53,499.83)
Less: Income from Investments	(17,29,452.00)	(2,51,55,000.00)
Operating profit before working capital changes	8,02,96,082.11	4,32,88,935.85
Adjustment for :		
(Increase)/Decrease in sundry debtors	(1,43,22,343.96)	(9,74,095.82)
(Increase)/Decrease in loans & advances	6,17,647.22	65,214.00
Increase/(Decrease) in trade payables and other liabilities	37,61,907.85	(1,97,192.00)
Cash generated from operations	7,03,53,293.21	4,21,82,862.03
Finance Cost Paid	-	(7,960.00)
Taxes paid	(3,22,73,033.88)	(1,21,76,650.00)
Net Cash from operating activities (A)	3,80,80,259.33	2,99,98,252.03
Cash Flow from Investing activities		
Purchase of Fixed Assets	(3,98,599.00)	(10,27,310.99)
Interest received on Bank Deposits	55,35,453.95	22,00,872.83
Income from Investments	17,29,452.00	2,51,55,000.00
Redemption/Maturity of Investment	-	1,65,00,000.00
Redemption/Maturity of ICD	-	2,59,50,000.00
Investment in Bank Deposits	9,50,00,000.00	(9,50,00,000.00)
Investment in Yes Bank Bond	(14,00,00,000.00)	-
Net cash from investing activities (B)	(3,81,33,693.05)	(2,62,21,438.16)
Cash Flow from Financing activities		
Net cash from financing activities (C)	-	-
Net cash flows during the year (A + B + C)	(53,433.72)	37,76,813.87
Cash and cash equivalents (Opening balance)	97,58,527.07	59,81,713.20
Cash and cash equivalents (Closing balance)	97,05,093.35	97,58,527.07
Components of cash and cash equivalents at the end of the year		
Balance with banks	97,05,093.35	95,64,743.42
Cash balance in hand	-	1,93,783.65
Less: Deposit with maturity more than 12 months	-	-
Total	97,05,093.35	97,58,527.07

Notes on accounts form part of final accounts
For Muthoot Insurance Brokers Pvt Ltd

As per my audit report of even date attached

George Alexander Muthoot
DirectorGeorge Jacob Muthoot
DirectorJOLY VARGHESE B.Sc., F.C.A.
Chartered Accountant
M. No. 213599

Place: Cochin

Date : 25-04-2017

NOTES ON ACCOUNTS

1 COMPANY BACKGROUND

M/S Muthoot Insurance Brokers Private Limited ("The Company") was incorporated as a private limited company under The Companies Act, 1956 in the state of Kerala on 23rd January 2002. The main object of the company is to carry on in the business of insurance including consultancy services relating to insurance and other financial services.

2 SIGNIFICANT ACCOUNTING POLICIES

2 ACCOUNTING CONCEPTS

The financial statements are prepared under the historical cost convention, on accrual basis and are in accordance with the Companies Act, 2013, and comply with Accounting Standards of the said Act and other Generally Accepted Accounting Principles applicable in India.

2 USE OF ESTIMATES

The preparation of financial statements in conformity with the accounting standards generally accepted in India requires the management to make estimates that affect the reported amount of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates.

2 REVENUE RECOGNITION

Revenue is recognized and expenses are accounted on accrual basis with necessary provision for all known liabilities and losses.

2 EARNINGS PER SHARE

In determining earnings per share, the companies consider the net profit after tax. The number of shares used in computing basic earnings per share is weighted average number of shares outstanding during the year. Diluted earnings per share is computed using weighted average number of basic and dilutive common equivalent shares outstanding during the year, except where the result would be anti-dilutive. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued later.

3 FIXED ASSETS

Fixed assets are stated at actual cost less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation cost and other incidental expenses incurred during the construction /installation stage attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is provided at the rates derived based on the useful lives of the assets specified in Schedule II of the Companies Act, 2013 on Written Down Value method.

3 INVESTMENTS

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

3 INTANGIBLE ASSETS

Intangible assets are recognized in the accounts only if it is probable that the future economic benefits that are attributable to the assets will flow into the company and cost of the assets can be reliably measured.

3 EMPLOYEE BENEFITS

Company's liability towards employment benefits is charged to revenue on accrual basis. Contributions to defined contribution schemes such as Provident Fund, Employees State Insurance Schemes are charged as incurred

3 TAXES ON INCOME

Tax expenses for the current year comprises of current tax and deferred tax (asset or liability). Current taxes are measured at the amounts expected to be paid using the applicable tax rates and tax laws. Deferred tax assets and liabilities are recognized on timing differences between accounting income and taxable income for the period and are measured using rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

2 IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets or their value in use. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances.



2 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized only when the company has present or legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the transaction and a reliable estimate can be made for the amount of obligation.

Contingent liability is disclosed for

- Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

2 NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH, 2017

Amounts in the financial statements are in Rupees, except for share data and as otherwise stated.

3 SHARE CAPITAL

3 Share Capital

Particulars	As on 31.03.2017	As on 31.03.2016
Authorised 500,000 Equity Shares of Rs. 10/- each (Previous Year: 500,000 Equity Shares of Rs. 10/- each)	50,00,000.00	50,00,000.00
Issued, Subscribed & Paid up 10,000 Equity Shares of Rs. 10/- each fully paid. (Previous Year: 10,000 Equity Shares of Rs. 10/- each fully paid)	50,00,000.00	50,00,000.00

3 Terms and Rights attached to Equity Shares

- The Company has only one class of equity shares having par value of Rs.10 per share. All these shares have the same rights and preferences with respect to the payment of dividend, repayment of capital and voting.
- Company has not issued any preference shares.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders

3 The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2017 and March 31, 2016 is set out below:

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	5,00,000.00	50,00,000.00
Shares issued during the year	0.00	0.00
Shares outstanding at the end of the year	5,00,000.00	50,00,000.00

3 Disclosure as to the shareholders holding more than 5 percent shares

Sl. No.	Name of Share holder	As on 31.03.2017		As on 31.03.2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1.00	George Alexander Muthoot	1.00	0.00	2,00,000.00	40.00
2.00	Anna Alexander	0.00	0.00	1,00,000.00	20.00
3.00	George M Alexander	0.00	0.00	1,00,000.00	20.00
4.00	George Jacob Muthoot	0.00	0.00	1,00,000.00	20.00
5.00	Muthoot Finance Ltd	4,99,999.00	100.00	0.00	0.00

4 RESERVES AND SURPLUS

a. Surplus/(Deficit) in the Statement of Profit and Loss

Particulars	As on 31.03.2017	As on 31.03.2016
1) Surplus		
Balance at the beginning of the year	10,56,02,701.62	5,44,78,702.24
Add: Net Profit for the year	6,01,65,674.31	5,11,23,999.38
Closing Balance	16,57,68,375.94	10,56,02,701.62



5 OTHER CURRENT LIABILITIES

Particulars	As on 31.03.2017	As on 31.03.2016
PF Payable	1,55,578.00	1,70,479.00
TDS Payable	1,45,010.00	85,184.00
Salary Payable	0.00	18,659.00
NPS Payable	52,500.00	57,000.00
Electricity Charges Payable	29,985.00	0.00
Audit fee payable	28,750.00	28,625.00
Rent Payable	23,520.00	23,408.00
ESI Payable	42,584.00	33,751.00
Service Tax Payable	37,99,673.85	98,587.00
Other Advances	5,703.00	5,703.00
Total	42,83,303.85	5,21,396.00

6 SHORT TERM PROVISIONS

Particulars	As on 31.03.2017	As on 31.03.2016
a) Income tax payable	55,48,937.12	99,41,595.34
Total	55,48,937.12	99,41,595.34

8 NON CURRENT INVESTMENTS

Particulars	As on 31.03.2017	As on 31.03.2016
a) Yes Bank- Investment in perpetual subordinated bond	5,00,00,000.00	0.00
b) NCD- Belstar Investment and finance private limited	9,00,00,000.00	
Total	14,00,00,000.00	0.00

9 DEFERRED TAX (ASSET) / LIABILITY

Particulars	As on 31.03.2017	As on 31.03.2016
Opening Balance	-22,836.41	-1,86,795.41
Add/(Less): Adjustments for Current Year	1,02,631.00	1,63,959.00
Total	79,794.59	-22,836.41

10 LONG TERM LOANS & ADVANCES

Particulars	As on 31.03.2017	As on 31.03.2016
A. Other Loans & Advances		
<u>Unsecured-Considered Good</u>		
Rent Deposit	11,60,000.00	11,60,000.00
Shop Advance-Kerala Trade Centre	1,00,000.00	1,00,000.00
B. Bank Deposits with maturity greater than 12 months	10,00,000.00	9,60,00,000.00
Total	22,60,000.00	9,72,60,000.00



12 TRADE RECEIVABLES

Particulars	As on 31.03.2017	As on 31.03.2016
Trade receivables outstanding for a period less than six months from the date they are due for payment <u>Unsecured-Considered Good</u>		
Commission receivable from Insu. Companies	2,19,73,197.96	76,50,854.00
Total	2,19,73,197.96	76,50,854.00

13 CASH AND EQUIVALENTS

Particulars	As on 31.03.2017	As on 31.03.2016
<u>Cash and Cash Equivalents</u>		
a. Cash on hand	0.00	1,93,783.65
b. Balances with banks		
ICICI-Bank	1,81,182.24	80,143.24
ICICI-Bank	12,675.43	12,675.43
Dhanlekshmi Bank	5,66,397.36	15,39,096.96
South Indian Bank	89,44,838.32	79,32,827.79
Total	97,05,093.35	97,58,527.07

14 OTHER CURRENT ASSETS

Particulars	As on 31.03.2017	As on 31.03.2016
Interest Receivable on Bank FD	44,92,499.00	32,81,599.00
Income Tax Refund Due	4,57,092.00	10,77,770.00
CENVAT Credit	-0.22	0.00
Sundry Advances	8,031.00	5,000.00
Total	49,57,621.78	43,64,369.00

15 REVENUE FROM OPERATIONS

Particulars	Period ended 31.03.2017	Year ended 31.03.2016
Commission Received	10,79,40,836.93	7,00,03,695.00
Total	10,79,40,836.93	7,00,03,695.00

16 OTHER INCOMES

Particulars	Period ended 31.03.2017	Year ended 31.03.2016
Interest Income	67,46,353.95	53,53,499.83
Income From Investments	17,29,452.00	2,51,55,000.00
Total	84,75,805.95	3,05,08,499.83



17 **EMPLOYEE BENEFIT EXPENSES**

Particulars	Period ended 31.03.2017	Year ended 31.03.2016
Salary & Allowances to Staff	2,10,75,199.00	2,11,29,177.00
Contribution to Provident Fund	9,66,388.00	11,87,806.00
ESI Contribution	2,51,387.00	3,50,826.00
Staff Welfare Expenses	1,80,074.00	1,61,527.00
Total	2,24,73,048.00	2,28,29,336.00

18 **FINANCE COSTS**

Particulars	Period ended 31.03.2017	Year ended 31.03.2016
Interest Expenses	0.00	7,960.00
Total	0.00	7,960.00

19 **OTHER EXPENSES**

Particulars	Period ended 31.03.2017	Year ended 31.03.2016
Audit fee	28,750.00	28,625.00
Bank charges	10,268.60	34,596.17
Business Promotion Expenses	2,210.00	27,208.00
Electricity Charges	5,17,707.00	3,71,416.00
Advertisement	0.00	98,400.00
Establishment Charges	1,99,765.00	1,15,627.00
Insurance Charges	3,13,967.00	2,56,500.00
Legal Charges	6,17,288.00	15,978.00
Printing & Stationery	1,05,051.00	1,82,105.00
Postage & Telegrams	1,52,561.34	99,586.00
Rent paid	3,08,896.00	2,60,175.00
CSR Expense	6,00,000.00	0.00
Repairs & Maintenance	1,54,818.00	10,22,891.00
Software Maintenance Charges	1,05,525.00	1,05,525.00
Service Tax	7,76,632.00	4,63,998.00
Travelling & Conveyance	2,43,711.00	1,06,307.00
Telephone & Internet chargesCharges	8,58,767.88	5,57,627.98
Taxes & Licence fee	1,66,551.00	1,35,880.00
Water charges	9,238.00	2,978.00
Total	51,71,706.82	38,85,423.15

20 **EARNINGS PER SHARE**

As per the Accounting Standard 20, Earnings Per Share is calculated by dividing the profit attributable to equity share holders by the weighted average number of equity shares outstanding during the year. The numbers used in calculating the basic and diluted earnings are stated below:

Particulars	Figures as at 31.03.2017	Figures as at 31.03.2016
Net Profit / (Net Loss) after taxation for the year	6,01,65,674.31	5,11,23,999.38
Weighted Average Number of Equity Shares outstanding during the year	5,00,000.00	5,00,000.00
Adjusted Face Value Per Share	Rs.10	Rs.10
Earnings Per Share	120.33	102.25

21 **Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016**

	Demonetised notes	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-



(a) Names of Related Parties :-

Category	Name of the Related Party
Key Management Personnel (KMP)	George Alexander Muthoot George Jacob Muthoot George M George Alexander M George George M Alexander
Relatives of Key Management Personnel	Eapen Alexander s/o George Alexander Muthoot Anna Alexander w/o George Alexander Muthoot Mihika Mathew Alexander w/o Alexander M George Theresa Joseph w/o George M George George Thomas Muthoot B/o George Alexander and George Jacob Muthoot George Mathew Muthoot B/o George Alexander and George Jacob Muthoot Leela Zachariah S/o George Alexander and George Jacob Muthoot M G Geroge f/o Geroge M George and Alexander M Geroge Sara Geroge m/o Geroge M George and Alexander M Geroge Elizabeth Jacob w/o George Jacob Muthoot George M. Jacob s/o George Jacob Muthoot Reshma Susan Jacob d/o George Jacob Muthoot Radhika Geroge Varghese w/o George M Alexander
Holding company	Muthoot Finance Ltd
Fellow subsidiaries	Asia Asset Finance PLC Belstar Investment And Finance Private Limited Muthoot Homefin (India) Limited
Entities over which KMP and their Relatives are able to exercise significant influence (with whom transactions has taken place)	Nil

(b) Transactions with Related Parties during the period ended 31.03.2017

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Holding company		Fellow subsidiaries		Entities over which KMP and their relatives are able to exercise significant influence	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Purchase of Investments from Muthoot Finance Ltd	-	-	-	-	14,28,87,671	-	-	-	-	-
NCD Interest from Belstar Investment And Finance Private Limited	-	-	-	-	-	-	33,28,767	-	-	-

(c) Net amount Receivable / (Due) as at the period end :

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Holding company		Fellow subsidiaries		Entities over which KMP and their relatives are able to exercise significant influence	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Belstar Investment and Finance Private Limited- NCD	-	-	-	-	-	-	9,00,00,000	-	-	-
Belstar Investment and Finance Private Limited- NCD Interest Receivable	-	-	-	-	-	-	29,95,890	-	-	-

23 Previous year's figures have been regrouped / rearranged, wherever necessary to conform to current year's classifications / disclosure.

For Muthoot Insurance Brokers Pvt Ltd

George Alexander Muthoot
Director

George Jacob Muthoot
Director

As per my audit report of even date attached

JOLY VARGHESE B.Sc., F.C.A.
Chartered Accountant
M. No. 213599

Place: Cochin
Date : 25-04-2017



Note No: 7

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	Total as on 01.04.2016	Additions	Total as on 31.03.2017	Up to 01.04.2016	For the year	Total up to 31.03.2017	WDV as on 31.03.2016	WDV as on 31.03.2017
Plant & Machinery	22,64,544.42		22,64,544.42	21,51,317.20	0.00	21,51,317.20	1,13,227.22	1,13,227.22
Furniture & Fixtures	64,54,248.58		64,54,248.58	57,57,335.39	1,03,350.77	58,60,686.16	5,93,562.41	6,96,913.19
Electrical Fittings	66,147.00	2,999.00	69,146.00	7,861.03	15,436.63	23,297.66	45,848.34	58,285.97
Motor Car	9,92,770.00		9,92,770.00	9,43,135.00	0.00	9,43,135.00	49,635.00	49,635.00
Computer	25,04,265.00	1,67,600.00	26,71,865.00	20,35,694.44	2,70,463.43	23,06,157.87	3,65,707.13	4,68,570.56
UPS & Battery	2,48,600.00	2,28,000.00	4,76,600.00	1,36,785.14	75,475.06	2,12,260.21	2,64,339.79	1,11,814.86
Air Cooler	4,650.00		4,650.00	4,308.31	41.19	4,349.50	300.50	341.69
Total	1,25,35,225.00	3,98,599.00	1,29,33,824.00	1,10,36,436.51	4,64,767.08	1,15,01,203.59	14,32,620.40	14,98,788.49
Previous Year	1,16,82,914.00	8,52,311.00	1,25,35,225.00	1,08,11,604.55	2,24,831.96	1,10,36,436.51	14,98,788.49	8,71,309.45



Depreciation as per Income Tax Rules

Particulars	Rate	WDV as at 01.04.16	Additions before 30.09.16	Additions after 30.09.16	Deletions	Balance	Depreciation	WDV as on 31.03.2017
Block I								
Computers	60%	3,55,675.00	2,51,300.00	1,44,300.00	0.00	7,51,275.00	4,07,475.00	3,43,800.00
Software	60%	1,49,220.00	0.00		0.00	1,49,220.00	89,532.00	59,688.00
Block II								
Furniture & Fittings	10%	34,46,978.00	1,599.00	1,400.00	0.00	34,49,977.00	3,44,928.00	31,05,049.00
Block III								
Motor Car	15%	1,66,133.50	0.00		0.00	1,66,133.50	24,920.00	1,41,213.50
Block III								
Plant & Machinery & Motor Car	15%	4,45,267.00	0.00		0.00	4,45,267.00	66,790.00	3,78,477.00
TOTAL		45,63,273.50	2,52,899.00	1,45,700.00	0.00	49,61,872.50	9,33,645.00	40,28,227.50

<u>Computation of Deferred Tax Liability / Asset and its revaluation</u>		DTA/(DTL)
As on 31.03.2017		
Depreciation as per IT Act	9,33,645.00	
Depreciation as per Co Act	6,23,207.08	
Timing Difference	3,10,437.92	
Deferred Tax Liability/(Assets)		1,02,631.00
Deferred Tax Liability		
Total DTL		1,02,631.00

