



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MUTHOOT INSURANCE BROKERS PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

I have audited the standalone financial statements of Muthoot Insurance Brokers Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Responsibility of Management for Standalone Financial Statements and for Internal Financial Controls over Financial Reporting

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone



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

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 (the 'Guidance Note'). 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.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and for Internal Financial Controls over Financial Reporting

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

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.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, I am also responsible for expressing my opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 auditors' judgments, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 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

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.



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 Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

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.

- a) 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.
- b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c) In my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d) 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.
- e) In my opinion, to the best of my information and according to the explanations given to me, 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 March 31, 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.
- f) 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 information and according to the explanations given to me:
 - i. The Company does not have any pending litigations which would impact its financial position.



- ii. The Company did not have any long-term contracts including derivative contracts 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.


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

Place: Kochi
Date: April 18,2019



(vi) of the Order is not applicable to the Company.

- (vii) (a) According to the information and explanations given to me, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service tax, duty of Customs, Cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to me, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, duty of Customs, Cess and other material statutory dues in arrears as at March 31, 2019 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 are no material dues of Income Tax, Goods and Service Tax, duty of Customs which have not been deposited on account of any disputes.

- (viii) According to the records of the Company examined by me and the information and explanations given to me, the Company has not taken any loan or borrowing from financial institution, bank, Government or debenture holders. Thus, paragraph 3 (viii) of the Order is not applicable to the Company.

- (ix) According to the records of the Company examined by me and the information and explanations given to me, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) and term loans. Thus, paragraph 3 (ix) of the Order is not applicable to the Company.

- (x) To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

- (xi) According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Thus, paragraph 3 (xi) of the Order is not applicable to the Company.

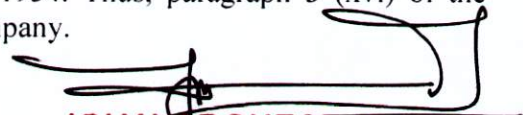
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

- (xiii) In our opinion and according to the information and explanations given to me, the Company is in compliance with Section 177 and 188 of the



Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) In my opinion and according to the information and explanations given to me during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence reporting under clause 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Thus, paragraph 3 (xvi) of the Order is not applicable to the Company.



JOLY VARGHESE B.Sc., F.C.A

Chartered Accountant

M. No: 213599



Place: Kochi

Date: April 18,2019

MUTHOOT INSURANCE BROKERS PRIVATE LIMITED

Balance sheet as at March 31, 2019

(All amounts in Rs 000s., unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Assets				
Non- current assets				
Property, plant and equipment	2	1,325.84	1,808.02	1,432.62
Other intangible assets	3	39.00	193.44	351.88
Financial assets				
Investments	6	3,64,406.36	2,20,000.00	1,40,000.00
Loans	4	82.99	1,192.99	1,160.00
Other financial assets	8	1,493.40	1,000.00	1,000.00
		3,67,347.59	2,24,194.45	1,43,944.50
Current assets				
Financial assets				
Trade receivables	7	47,686.18	33,573.71	21,973.20
Other financial assets	8	2,760.92	1,685.03	4,492.50
Cash and cash equivalents	9	27,984.41	33,047.76	9,705.10
Other non financial assets	5	266.54	605.79	565.12
		78,698.05	68,912.29	36,735.92
Total assets		4,46,045.64	2,93,106.74	1,80,680.42
Equity and liabilities				
Equity				
Equity share capital	11	7,500.00	5,000.00	5,000.00
Other equity	12	4,19,123.20	2,71,158.61	1,65,768.38
Total equity		4,26,623.20	2,76,158.61	1,70,768.38
Non-current liabilities				
Financial liabilities				
Deferred tax liabilities (net)	10.1	2,253.60	158.59	79.79
		2,253.60	158.59	79.79
Current liabilities				
Trade payable				
Financial liabilities				
Other financial liabilities	13	568.79	167.02	87.96
Liabilities for current tax (net)		5,520.71	6,861.30	5,548.94
Other non financial liabilities	14	11,079.34	9,761.22	4,195.35
		17,168.84	16,789.54	9,832.25
Total liabilities		19,422.44	16,948.13	9,912.04
Total equity and liabilities		4,46,045.64	2,93,106.74	1,80,680.42

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Joly Varghese
Chartered Accountant

For and on behalf of the Board of Directors of
Muthoot Insurance Brokers Private Limited

Joly Varghese
Proprietor
Membership no.: 213599

George Alexander Muthoot
Director

George Jacob Muthoot
Director

Place: Cochin, India
Date: 18.04.2019



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Statement of profit and loss for the Year Ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from operations	15	2,13,535.85	1,59,301.07
Other income	16	37,621.56	22,306.44
Total income		2,51,157.41	1,81,607.51
Expenses			
Employee benefits expense	17	27,505.87	26,393.53
Depreciation and amortisation	18	729.02	763.49
Other expenses	19	7,007.45	5,210.65
Finance cost	21	465.85	135.08
Total expenses		35,708.19	32,502.75
Profit before tax		2,15,449.22	1,49,104.76
Tax expenses			
Current tax	10	61,040.32	43,105.22
Deferred tax charge/ (credit)	10.1	2,095.01	78.80
Adjustment of tax relating to earlier years		1,849.30	530.51
Income tax expense		64,984.63	43,714.53
Profit for the year		1,50,464.59	1,05,390.23
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans		-	-
Income tax effect		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		1,50,464.59	1,05,390.23
Profit per equity share [nominal value of Rs. 10 (March 31, 2018: Rs. 10)] (In Rs.)			
Basic	23	200.62	140.52
Diluted		200.62	140.52

Summary of significant accounting policies 1
The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Joly Varghese
Chartered Accountant

For and on behalf of the Board of Directors of
Muthoot Insurance Brokers Private Limited

Joly Varghese
proprietor
Membership no.: 213599

George Alexander Muthoo George Jacob Muthoot
Director Director

Place: Cochin, India
Date: 18.04.2019



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Statement of Changes in Equity for the year ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

a) Equity share capital

	No of Shares	Amount
Equity shares of Rs.10 each issued, subscribed and fully paid		
At April 1, 2017	5,00,000	5,000.00
Issued during the year	-	-
At March 31, 2018	5,00,000	5,000.00
Issued during the year	2,50,000	2,500.00
At March 31, 2019	7,50,000	7,500.00

B. Other equity

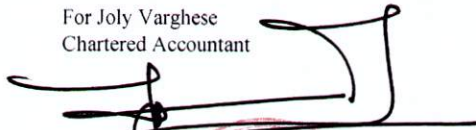
	Attributable to equity holders of the Company			Total
	Reserves and Surplus			
	Special Reserve	Securities premium	Retained earnings	
As at April 1, 2017			1,65,768.38	1,65,768.38
Net profit during the year	-	-	1,05,390.23	1,05,390.23
Other comprehensive income	-	-	-	-
Issued during year	-	-	-	-
Transfer from current year profit	-	-	-	-
As at March 31, 2018	-	-	2,71,158.61	2,71,158.61
Profit for the year	-	-	1,50,464.59	1,50,464.59
Other comprehensive income	-	-	-	-
Issued during year	-	-	-	-
Transfer from current year profit	-	-	(2,500.00)	(2,500.00)
As at March 31, 2019	-	-	4,19,123.20	4,19,123.20

Summary of significant accounting policies (refer note 1)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Joly Varghese
Chartered Accountant

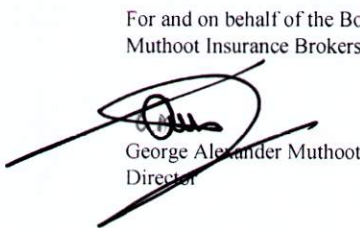


Joly Varghese
Proprietor
Membership no. 213599

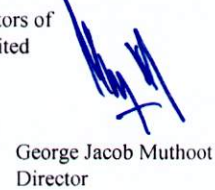


Place: Cochin, India
Date: 18.04.2019

For and on behalf of the Board of Directors of
Muthoot Insurance Brokers Private Limited



George Alexander Muthoot
Director



George Jacob Muthoot
Director

MUTHOOT INSURANCE BROKERS PRIVATE LIMITED**Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Ernakulam - 682018****Cash Flow Statement for the year ended 31st March, 2019**

Particulars	For the Year ended	
	31st March, 2019	31st March, 2018
Cash Flow from Operating activities :		
Net profit before tax	2,15,449.22	1,49,104.76
Adjustments for:		
Depreciation and amortisation	729.02	763.49
Finance Income(Including fair value change in financials Instruments)	(37,621.56)	(22,306.44)
Operating profit before working capital changes	1,78,556.68	1,27,561.81
Adjustment for :		
Trade and other receivables	(14,112.47)	(11,600.52)
Loans & advances	1,449.25	(73.65)
Trade and other payables	1,719.89	5,644.94
Cash generated from operations	1,67,613.35	1,21,532.58
Taxes paid (net)	(64,230.19)	(42,323.38)
Net Cash from operating activities (A)	1,03,383.16	79,209.20
Cash Flow from Investing activities		
Purchase of Fixed Assets	(92.41)	(980.45)
Income from Investments	29,232.39	25,113.92
Investment in Bank Deposits	(493.40)	-
Investment in Non Convertible Debentures and Mutual Funds	(1,37,093.09)	(80,000.00)
Net cash from investing activities (B)	(1,08,446.51)	(55,866.53)
Cash Flow from Financing activities		
Net cash from financing activities (C)	-	-
Net cash flows during the year (A + B + C)	(5,063.35)	23,342.67
Cash and cash equivalents (Opening balance)	33,047.76	9,705.09
Cash and cash equivalents (Closing balance)	27,984.41	33,047.76
Components of cash and cash equivalents at the end of the year (Refer Note "9")		
Balance with banks	27,984.41	33,047.76
Total	27,984.41	33,047.76

Summary of significant accounting policies (refer note 1)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Joly Varghese
Chartered AccountantFor and on behalf of the Board of Directors of
Muthoot Insurance Brokers Private LimitedJoly Varghese
Proprietor
Membership no.: 213599George Alexander Muthoot
DirectorGeorge Jacob Muthoot
DirectorPlace: Cochin, India
Date: 18.04.2019

MUTHOOT INSURANCE BROKERS PRIVATE LIMITED

Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Ernakulam - 682018

Notes on financial statements for the year ended 31st March, 2019

CORPORATE INFORMATION

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.

1 SIGNIFICANT ACCOUNTING POLICIES

1.01 BASIS OF PREPARATION AND PRESENTATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). The financial statements for the year ended 31 March 2019 are the first financial statement the Company has prepared in accordance with Ind AS. Refer to note No 29 on First time adoption to Ind AS for information on adoption of Ind AS by the Company.

The Financial Statements have been prepared on the historical cost basis except for certain financial assets and liabilities (including financial assets held for trading) which have been measured at fair value amount:

The Financials Statements are presented in INR and all values are rounded to the nearest thousands ("000") ,except when otherwise indicated.

1.02 REVENUE RECOGNITION

Revenue (other than for Financial Instruments within the scope of IND AS 109) is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Revenue from contract with customer for rendering services is recognised at a point in time when performance obligation is satisfied.

Interest Income

Interest income from a Financial Asset is recognised using effective interest rate method.

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

1.03 EMPLOYEE BENEFITS

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.



Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

1.04 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months of the date of acquisition and which are subject to an insignificant risk of change in value.

1.05 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Advances paid towards the acquisition of fixed assets, outstanding at each reporting date are shown under other non-current assets. The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

1.06 DEPRECIATION

Depreciation on Property, Plant and Equipment is calculated using written down value method (WDV) to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Particulars	Useful life (Years)
Plant & Machinery	15
Computer	3
Office equipment	10
Furniture and fixtures	10
Vehicle	10

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

1.07 INTANGIBLE ASSETS

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.



Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably.

Intangible assets comprising of software and website development are amortised on a SLM basis over a period of 5 years, unless it has a shorter useful life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit or Loss when the asset is derecognised.

1.08 IMPAIRMENT OF NON-FINANCIAL ASSETS: PROPERTY , PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Company's assesses, at each reporting date, whether there is any indication that any Property , Plant and Equipment and Intangible Assets or group of assets called Cash Generating Units (CGU) may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount to determine the extent of impairment , if any.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

1.09 FINANCIAL INSTRUMENTS

Financial Assets

A. Initial recognition and measurement:

All financial assets are recognised initially at fair value when the parties become party to the contractual provisions of the financial asset. In case of financial assets which are not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets, are adjusted to the fair value on initial recognition.

B. Subsequent measurement

The Company classifies its financial assets into various measurement categories. The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

1. Financial assets carried at amortised cost (AC)

A financial asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



3. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

C. Equity Investments (Other than Investment in Subsidiaries, Joint ventures & Associates)

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the changes in fair value through other comprehensive income (FVTOCI)

D. Impairment of financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit loss are measured at an amount equal to 12 month ECL unless there has been significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Cost of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial assets and financial liabilities

A) Financial Asset

The Company derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

B) Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

Offsetting

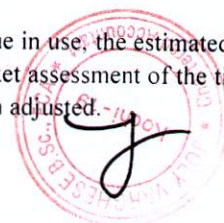
Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Company has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously in all the following circumstances:

- a. The normal course of business
- b. The event of default
- c. The event of insolvency or bankruptcy of the Company and/or its counterparties

1.10 IMPAIRMENT OF NON-FINANCIAL ASSETS

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.



If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit or loss.

1.11 PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

1.12 TAXATION

The tax expense for the period comprises current and deferred tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws.

The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the end of reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities used in the computation of taxable profit and their carrying amounts in the financial statements for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss



ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.13 EARNINGS PER SHARE

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

1.14 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

a) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

b) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that assets may be impaired. If any indication exists, or when annual impairment testing for assets is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for assets, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.



In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

c) Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

d) Effective Interest Rate

The Company's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, probable fluctuations in collateral value as well as expected changes to India's base rate and other fee income/expense that are integral parts of the instrument

e) Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

f) Other estimates:

These include contingent liabilities, useful lives of tangible and intangible assets etc.

1.15 NEW AND AMENDED STANDARDS

The Company has applied Ind AS 115, Revenue from Contract with Customers for the annual reporting period commencing 1 April 2018. The new revenue standard and other amendments does not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.16 STANDARDS ISSUED BUT NOT YET EFFECTIVE

"In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116, 'Leases'. Ind AS 116 replaces Ind AS 17 'Leases'. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IndAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Company is evaluating the requirements of Ind AS 116 and its effect on the financial statements."



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED

Notes to the financial statements for the Year ended March 31, 2019

(All amounts in Rs 000s., unless otherwise stated)

2 Property, plant and equipment

	Plant & Machinery	Computer equipment	Office equipment	Furniture and fixtures	Vehicle	Total
Deemed cost as at 1 April 2017	116.23	630.05	43.15	593.56	49.63	1,432.62
Additions	-	801.65	131.77	47.03	-	980.45
Disposals						
As at March 31, 2018	116.23	1,431.70	174.92	640.59	49.63	2,413.07
Additions		78.08	1.15	8.18		87.41
Disposals						
As at March 31, 2019	116.23	1,509.78	176.07	648.77	49.63	2,500.48
Accumulated Depreciation						
As at April 01, 2017						
Charge for the year	-	484.71	35.15	85.19	-	605.05
Disposals						
As at March 31, 2018	-	484.71	35.15	85.19	-	605.05
Charge for the year		462.47	37.19	69.93		569.59
Disposals						
As at March 31, 2019	-	947.18	72.34	155.12	-	1,174.64
Net Block						
As at April 1, 2017	116.23	630.05	43.15	593.56	49.63	1,432.62
As at March 31, 2018	116.23	946.99	139.77	555.40	49.63	1,808.02
As at March 31, 2019	116.23	562.60	103.73	493.66	49.63	1,325.84

3 Other intangible assets

	Computer software	Total
Deemed cost as at 1 April 2017	351.88	351.88
Additions	-	-
As at March 31, 2018	351.88	351.88
Additions	5.00	
As at March 31, 2019	356.88	351.88
Amortisation as at 1 April 2017		
Charge for the year	158.44	158.44
As at March 31, 2018	158.44	158.44
Charge for the year	159.44	0.00
As at March 31, 2019	317.88	158.44
Net Block		
As at April 1, 2017	351.88	351.88
As at March 31, 2018	193.44	193.44
As at March 31, 2019	39.00	39.00



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Notes to the financial statements for the Year ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

4 Financial assets - Loans
(Unsecured, considered good unless otherwise stated)
Carried at amortised cost

	March 31, 2019	March 31, 2018	April 1, 2017
Non-current (considered good)			
Security deposit	82.99	1,192.99	1,160.00
	82.99	1,192.99	1,160.00

5 Other non financial asset

	March 31, 2019	March 31, 2018	April 1, 2017
Balances with statutory / government authorities	166.54	498.65	457.09
Others	100.00	107.14	108.03
	266.54	605.79	565.12

6 Investments

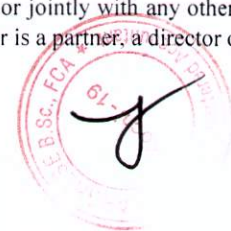
	March 31, 2019	March 31, 2018	April 1, 2017
Non-current			
Investments recorded at fair value through profit and loss account (FVTPL)			
Investment in mutual funds - Quoted			
HDFC Equity Fund - Regular Plan - Growth (31 March 2019 : 77,490.927 Units of Rs. 681.212 each; 31 March 2018 & 1 April 2017: Nil)	52,787.75	-	-
HDFC Liquid Fund - Regular Plan - Growth (31 March 2019 : 10,465.466 Units of Rs. 3,660.30 each; 31 March 2018 & 1 April 2017: Nil)	38,306.74	-	-
Kotak Standard Multi Cap Fund (31 March 2019 : 9,38,944.502 Units of Rs. 35.478 each; 31 March 2018 & 1 April 2017: Nil)	33,311.87	-	-
Investments recorded at Amortised cost			
Quoted			
Yes Bank- Investment in perpetual subordinated bond (31 March 2019, 31 March 2018 & 1 April 2017: 50 Units of Rs. 10,00,000 each;)	50,000.00	50,000.00	50,000.00
NCD- SREI Equipment Finance Limited (31 March 2019 : 20,000 Units of Rs. 1000 each; 31 March 2018 & 1 April 2017: Nil)	20,000.00	-	-
Unquoted			
NCD- Belstar Investment and finance private limited	1,70,000.00	1,70,000.00	90,000.00
	3,64,406.36	2,20,000.00	1,40,000.00

7 Trade receivables
Carried at amortised cost

	March 31, 2019	March 31, 2018	April 1, 2017
Current			
Unsecured, considered good	47,686.18	33,573.71	21,973.20
	47,686.18	33,573.71	21,973.20
Considered doubtful	-	-	-
Less: Provision for doubtful debts	-	-	-
	47,686.18	33,573.71	21,973.20

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Notes to the financial statements for the Year ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

8 Other financial assets

	March 31, 2019	March 31, 2018	April 1, 2017
Non-current			
Bank deposit	1,493.40	1,000.00	1,000.00
	1,493.40	1,000.00	1,000.00
Current			
Interest accrued on fixed deposit	2,760.92	1,685.03	4,492.50
	2,760.92	1,685.03	4,492.50

9 Cash and cash equivalents

	March 31, 2019	March 31, 2018	April 1, 2017
<i>Balances with banks:</i>			
- On current accounts	27,984.41	33,047.76	9,705.10
	27,984.41	33,047.76	9,705.10

10 Taxation

	March 31, 2019	March 31, 2018
Income tax recognised in profit or loss		
Current tax		
In respect of the current year	61,040.32	43,105.22
Deferred tax		
In respect of the current year (Note No.10.1)	2,095.01	78.80
Total income tax expenses recognised in the current year relating to continuing operations	63,135.33	43,184.02
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations	2,15,449.22	1,49,104.76
Enacted income tax rate in India	29.12%	28.84%
Computed expected tax expenses	62,738.81	43,001.81
Effect of:		
Effect of expenses not allowed for tax purposes	431.13	103.41
Effect of Income not considered for tax purposes	(2,129.62)	-
Incremental Deferred Tax Asset on account of Financial Assets and Other Items	2,095.01	78.80
	396.52	182.21
Income tax expenses recognised in profit or loss	63,135.33	43,184.02
Effective rate	29.30%	28.96%

10.1 Deferred tax liability(Net)

The movement on the deferred tax account is as follows:

	March 31, 2019	March 31, 2018	April 1, 2017
Opening Balance (A)	158.59	79.79	(22.84)
Add/(Less) : Adjustment during the year			
Timing difference on account of Depreciation and Amortisation	(34.61)	78.80	102.63
Ind AS Impact	2,129.62	-	-
Debit to Profit or loss (B)	2,095.01	78.80	102.63
Total (A+B)	2,253.60	158.59	79.791



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Notes to the financial statements for the Year ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

11 Share Capital

	March 31, 2019	March 31, 2018
Authorised share capital		
Equity share capital of Rs. 10 each		
750,000 Equity Shares of Rs. 10/- each (Previous Year: 500,000 Equity Shares of Rs. 10/- each)	7,500.00	5,000.00
	7,500.00	5,000.00
Issued, subscribed and fully paid-up shares		
Equity share of Rs. 10 each		
750,000 Equity Shares of Rs. 10/- each fully paid. (Previous Year: 500,000 Equity Shares of Rs. 10/- each fully paid)	7,500.00	5,000.00
	7,500.00	5,000.00

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

	March 31, 2019		March 31, 2018		April 1, 2017
	No of Shares	Amount	No of Shares	Amount	No of Shares
Equity shares					
At the beginning of the year	5,00,000	5,000.00	5,00,000	5,000.00	5,00,000
Issued during the year	2,50,000	2,500.00			-
Outstanding at the end of the year	7,50,000	7,500.00	5,00,000	5,000.00	5,00,000

Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(b) Details of shareholders holding more than 5% shares in the Company

	March 31, 2019		March 31, 2018		April 1, 2017
	No of Shares	Holding percentage	No of Shares	Holding percentage	No of Shares
Equity shares of Rs.10 each fully paid					
<i>Muthoot Finance Limited, the holding company</i>	7,50,000	100%	5,00,000	100%	5,00,000

12 Other equity

	March 31, 2019	March 31, 2018
Retained earnings	4,19,123.20	2,71,158.61
	4,19,123.20	2,71,158.61

For movement in other equity refer 'Statement of Changes in Equity'

Retained earnings

Retained earnings comprises of prior and current year's undistributed earnings/accumulated losses after tax.



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Notes to the financial statements for the Year ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

13 Other financial liabilities

Carried at amortised cost

	March 31, 2019	March 31, 2018	April 1, 2017
Current			
Other payables	568.79	167.02	87.96
	568.79	167.02	87.96

14 Other non financial liabilities

	March 31, 2019	March 31, 2018	April 1, 2017
Current			
Statutory dues payable	11,079.34	9,761.22	4,195.35
	11,079.34	9,761.22	4,195.35

15 Revenue from operations

	March 31, 2019	March 31, 2018
Revenue from operations	2,13,535.85	1,59,301.07
	2,13,535.85	1,59,301.07

16 Other income

	March 31, 2019	March 31, 2018
Interest income		
Bank deposits	107.71	124.04
Income from investment	30,200.58	22,182.40
	30,308.29	22,306.44
Fair value gain on financial instruments at fair value through profit or loss	7,313.27	-
	37,621.56	22,306.44

17 Employee benefits expense

	March 31, 2019	March 31, 2018
Salaries, wages and bonus	25,928.43	24,894.31
Contribution to provident and other fund	1,302.03	1,369.65
Staff welfare expenses	275.41	129.57
	27,505.87	26,393.53

17.1 As per IND AS 19 "Employee Benefits", the disclosures of employee benefits as defined are given below:

Defined contribution plan

Contribution to defined contribution plan, recognised are charged off for the year are as under:

	March 31, 2019	March 31, 2018
Employer's contribution to Provident Fund	1,043.68	1,007.25
Employer's contribution to ESI	258.35	362.40
	1,302.03	1,369.65

18 Depreciation and amortisation expense

	March 31, 2019	March 31, 2018
Depreciation of tangible assets	569.58	605.05
Amortisation of intangible assets	159.44	158.44
	729.02	763.49



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Notes to the financial statements for the Year ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

19 Other expenses

	March 31, 2019	March 31, 2018
Power and fuel	540.93	554.47
Establishment Charges	263.48	475.70
Repairs and maintenance	331.22	142.50
Rent	1,132.80	478.08
Advertising and business promotion expenses	373.62	14.08
Communication costs	822.51	794.56
Insurance	530.09	578.80
Legal and professional fees	293.88	536.80
Water charges	1.33	3.45
* Payments to auditor	28.75	28.75
Printing and stationery	136.52	125.21
Rates and taxes	236.91	216.62
Software Maintenance charges	78.75	87.90
CSR Expenses	1,800.00	1,000.00
Travelling and conveyance	436.66	173.73
	7,007.45	5,210.65

***Payment to auditor**

	March 31, 2019	March 31, 2018
As auditor:		
- Statutory audit fees (excluding goods and service tax)	28.75	28.75
	28.75	28.75

20 Details of CSR expenditure:

	March 31, 2019	March 31, 2018
Gross amount required to be spent during the year	2,071.94	1,176.78
Amount spent during the year	1,800.00	1,000.00

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects. The required contributions were duly paid to eligible NGO's through the year for activities which are specified in Schedule VII of the Companies Act, 2013.

21 Finance costs

	March 31, 2019	March 31, 2018
Interest on others	461.68	131.79
Bank charges	4.17	3.29
	465.85	135.08

22 The Company is mainly engaged in 'insurance broking services' in India. All the activities of the Company revolve around this main business. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 "Operating Segment". The chief operational decision maker monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Notes to the financial statements for the Year ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

23 Earnings per share ['EPS']

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2019	March 31, 2018
Profit after tax attributable to equity holders of the Company	1,50,464.59	1,05,390.23
Weighted average number of equity shares outstanding during the year for basic/diluted EPS	7,50,000	7,50,000
Basic/diluted earning per share (in Rs.)	200.62	140.52

24 As per Ind AS 24, the disclosures of transactions with the related parties are given below :

(i) List of related parties and relationships:

Sr. Name of the related party	Relationship
1. Muthoot Finance Ltd	Holding company
2. Belstar Investment And Finance Private Limited	Fellow subsidiaries
3. Asia Asset PLC	Fellow subsidiaries
4. Muthoot Money Private Limited	Fellow subsidiaries
5. Muthoot Trustee Private Limited	Fellow subsidiaries
6. Muthoot Asset Management Private Limited	Fellow subsidiaries
7. Muthoot Homefin India Private Limited	Fellow subsidiaries
8. George Alexander Muthoot	Key Management Personnel (KMP)
9. George Jacob Muthoot	Key Management Personnel (KMP)
10. George M George	Key Management Personnel (KMP)
11. Alexander M George	Key Management Personnel (KMP)
12. George M Alexander	Key Management Personnel (KMP)

(ii) Transactions during the year with related parties (excluding reimbursements):

Nature of transactions	Holding company	Fellow subsidiaries	Total
Purchase of Investments	-	-	-
	<i>10,209.59</i>	<i>70,000.00</i>	<i>80,209.59</i>
NCD Interest Received	-	23,400.00	23,400.00
	-	<i>17,355.62</i>	<i>17,355.62</i>
Rent Expenses	864.00	-	864.00
	<i>199.20</i>	-	<i>199.20</i>

(iii) Net amount Receivable / (Due) as at 31st March, 2019

Belstar Investment and Finance Private Limited- NCD	-	1,70,000.00	1,70,000.00
	-	<i>1,70,000.00</i>	<i>1,70,000.00</i>
Rent Payable	(129.60)	-	(129.60)
	-	-	-

Figures in italic represents previous year's amount.

(iv) Disclosure in respect of material related party transactions during the year::

SL No. Particulars	2018-2019	2017-2018
1. Purchase of Investments		
Muthoot Finance Ltd	-	10,209.59
Belstar Investment And Finance Private Limited	-	70,000.00
2. NCD Interest Received		
Belstar Investment And Finance Private Limited	23,400.00	17,355.62
3. Rent Expenses		
Muthoot Finance Ltd	864.00	199.20



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Notes to the financial statements for the Year ended March 31, 2019
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25 Contingent liabilities and commitments

Particulars	March 31, 2019	March 31, 2018
Contingent Liabilities	Nil	Nil
Commitments	Nil	Nil

26 Lease Disclosures

Finance Lease :

The Company has not taken or let out any assets on financial lease.

Operating Lease :

All operating lease agreements entered into by the Company are cancellable in nature.

Consequently, disclosure requirement of future minimum lease payments in respect of non-cancellable operating lease as per Ind AS 17 is not applicable to the Company.

Lease rental payments for assets taken on an operating lease Rs. 11,32,800/- (Previous year: Rs. 4,78,080/-) are recognized as 'Rent' in the Statement of Profit and Loss.

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MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Notes to the financial statements for the Year ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

27 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital on the basis of the following gearing ratio:

Calculation of Net Debt to Equity Ratio

Particulars	Mar-19	Mar-18	Apr-17
Other payables	568.79	167.02	87.96
Other liabilities	16,600.05	16,622.52	9,744.29
Less: Cash and cash equivalents	(27,984.41)	(33,047.76)	(9,705.10)
	(10,815.57)	(16,258.22)	127.15
Equity share capital	7,500.00	5,000.00	5,000.00
Other equity	4,19,123.20	2,71,158.61	1,65,768.38
Total Capital	4,26,623.20	2,76,158.61	1,70,768.38
Total capital and debt	4,15,807.63	2,59,900.39	1,70,895.53
Gearing Ratio	-2.60%	-6.26%	0.07%

28 Financial Risk Management

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates and other market changes. The Company is not exposed to any material market risk for the financial year ended 31 March 2019 and 31 March 2018.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables, including balances with banks.



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Notes to the financial statements for the Year ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

Trade Receivable

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients.. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets . The Company does not hold collateral as security. The Company consider the credit risk with respect to trade receivables as low, as the Company mainly collects advances from customers.

Liquidity Risk

Liquidity risk is the risk of being unable to raise the necessary funds from the market at optimal costs to meet operational and debt servicing requirements. The liquidity Management ensures sufficient cash flow to meet all financial commitments and to capitalize on opportunities for business expansion. The Company has not taken any borrowings or long terms debts. There is a very small amount due towards other payable which is short term in nature. The Company does not foresee any liquidity risk towards the same.

Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

29 First time Ind AS adoption reconciliations

These financial statements, for the year ended 31 March 2019, are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for the year ended 31 March 2019, together with the comparative period data as at and for the year ended 31 March 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2017, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2017 and the financial statements as at and for the year ended 31 March 2018.



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED

Notes to the financial statements for the Year ended March 31, 2019

(All amounts in Rs 000s., unless otherwise stated)

29.1 Effect of Ind AS adoption on the standalone balance sheet as at 31st March, 2018 and 1st April, 2017

Notes	As at March 31, 2018			As at April 1, 2017		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
Assets						
Non- current assets						
Property, plant and equipment	1,808.02		1,808.02	1,432.62		1,432.62
Other intangible assets	193.44		193.44	351.88		351.88
Financial assets						
Investments	2,20,000.00		2,20,000.00	1,40,000.00		1,40,000.00
Loans	1,192.99		1,192.99	1,160.00		1,160.00
Other financial assets	1,000.00		1,000.00	1,000.00		1,000.00
	2,24,194.45	-	2,24,194.45	1,43,944.50	-	1,43,944.50
Current assets						
Financial assets						
Trade receivables	33,573.71		33,573.71	21,973.20		21,973.20
Other financial assets	1,685.03		1,685.03	4,492.50		4,492.50
Cash and cash equivalents	33,047.76		33,047.76	9,705.10		9,705.10
Other current assets	605.79		605.79	565.12		565.12
	68,912.29	-	68,912.29	36,735.92	-	36,735.92
Total assets	2,93,106.74	-	2,93,106.74	1,80,680.42	-	1,80,680.42
Equity and liabilities						
Equity						
Equity share capital	5,000.00		5,000.00	5,000.00		5,000.00
Other equity	2,71,158.61		2,71,158.61	1,65,768.38		1,65,768.38
Total equity	2,76,158.61	-	2,76,158.61	1,70,768.38	-	1,70,768.38
Non-current liabilities						
Financial liabilities						
Deferred tax liabilities (net)	158.59		158.59	79.79		79.79
	158.59	-	158.59	79.79	-	79.79
Current liabilities						
Trade payable						
Financial liabilities						
Other current financial liabilities	167.02		167.02	87.96		87.96
Liabilities for current tax (net)	6,861.30		6,861.30	5,548.94		5,548.94
Other current liabilities	9,761.22		9,761.22	4,195.35		4,195.35
	16,789.54	-	16,789.54	9,832.25	-	9,832.25
Total liabilities	16,948.13	-	16,948.13	9,912.04	-	9,912.04
Total equity and liabilities	2,93,106.74	-	2,93,106.74	1,80,680.42	-	1,80,680.42



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED

Notes to the financial statements for the Year ended March 31, 2019

(All amounts in Rs 000s., unless otherwise stated)

29.2 Effect of Ind AS adoption on the statement of profit and loss for the year ended 31st March, 2017

	Previous GAAP	<u>As at March 31, 2018</u> Effect of transition to Ind AS	As per Ind AS Statement of P&L
INCOME			
Revenue from operations	1,59,301.07	-	1,59,301.07
Other Income	22,306.44	-	22,306.44
Total Revenue	1,81,607.51	-	1,81,607.51
EXPENDITURE			
Employee Benefits Expense	26,393.53	-	26,393.53
Depreciation and amortisation	763.49	-	763.49
Other Expenses	5,210.65	-	5,210.65
Finance cost	135.08	-	135.08
Total Expenses	32,502.75	-	32,502.75
Profit Before Tax	1,49,104.76	-	1,49,104.76
Tax Expenses			
Current Tax	43,105.22	-	43,105.22
Deferred Tax	78.80	-	78.80
Adjustment of tax relating to earlier years	530.51	-	530.51
Profit for the Year	1,05,390.23	-	1,05,390.23

29.3 Reconciliation of Reserve between Ind AS and Previous GAAP

Sr. Nature of adjustments	Year Ended 31st March, 2018	As at 31st March, 2018	As at 1st April, 2017
Net Profit/Reserves as per Previous Indian GAAP	1,05,390.23	2,71,158.61	1,65,768.38
1. Fair Valuation for Financial Assets	-	-	-
2. Others	-	-	-
Net profit before OCI/Reserves as per Ind AS	1,05,390.23	2,71,158.61	1,65,768.38

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MUTHOOT INSURANCE BROKERS PRIVATE LIMITED
Notes to the financial statements for the Year ended March 31, 2019
(All amounts in Rs 000s., unless otherwise stated)

30 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period

Company's assets and liabilities which are measured at amortised cost for which fair value are disclosed at April 01, 2017

Particulars	Carrying amount	Fair value		
	as at	Level I	Level II	Level III
	April 01, 2017			
Financial assets at amortized cost:				
Investments	1,40,000	50,000.00	-	90,000
Loans	1,160			1,160
Other financial assets	1,000		1,000.00	
Total	1,42,160	50,000	1,000	91,160
Financial assets at fair value through profit or loss				
Mutual fund - growth plan	-	-	-	-
	-	-	-	-
Financial liabilities at amortized cost:				
Obligation under finance lease		-	-	-
Borrowings	-	-	-	-
	-	-	-	-

Company's assets and liabilities which are measured at amortised cost for which fair value are disclosed at March 31, 2018

Particulars	Carrying amount	Fair value		
	as at	Level I	Level II	Level III
	March 31, 2018			
Financial assets at amortized cost:				
Investments	2,20,000	50,000.00	-	1,70,000.00
Loans	1,193			1,193
Other financial assets	1,000	1,000.00	-	
Total	2,22,193	51,000	-	1,71,193
Financial assets at fair value through profit or loss				
Mutual fund - growth plan	-	-	-	-
	-	-	-	-
Financial liabilities at amortized cost:				
Obligation under finance lease		-	-	-
Borrowings	-	-	-	-
	-	-	-	-



MUTHOOT INSURANCE BROKERS PRIVATE LIMITED

Notes to the financial statements for the Year ended March 31, 2019

(All amounts in Rs 000s., unless otherwise stated)

Company's assets and liabilities which are measured at amortised cost for which fair value are disclosed at March 31, 2019

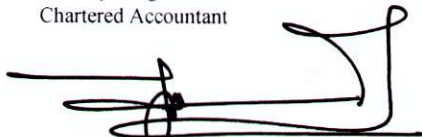
Particulars	Carrying amount as at		Fair value	
	March 31, 2019	Level I	Level II	Level III
Financial assets at amortized cost:				
Investments	2,40,000.00	70,000.00	-	1,70,000.00
Loans	82.99			82.99
Other financial assets	1,493.40	1,493.40	-	
Total	2,41,576.39	71,493.40	0.00	1,70,082.99
Financial assets at fair value through profit or loss				
Mutual fund - growth plan	1,24,406	1,24,406	-	-
	1,24,406	1,24,406	-	-
Financial liabilities at amortized cost:				
Obligation under finance lease		-	-	-
Borrowings	-	-	-	-
	-	-	-	-

Notes :-

The carrying value of trade receivables , trade payables, short term deposits and cash and cash equivalents are considered to be the same as their fair value, due to their short term in nature.

As per our report of even date

For Joly Varghese
Chartered Accountant

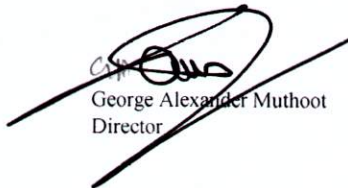


Joly Varghese
Proprietor
Membership no. : 213599

Place: Cochin, India
Date: 18.04.2019



For and on behalf of the Board of Directors of
Muthoot Insurance Brokers Private Limited



George Alexander Muthoot
Director



George Jacob Muthoot
Director