

MANAPPURAM INSURANCE BROKERS LIMITED

ANNUAL REPORT

2018-19

MANAPPURAM INSURANCE BROKERS LIMITED

2nd Floor, Manappuram House (Old Building)

Valapad, Thrissur 680 567

CIN: U66010KL2002PLC015699

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 17th Annual General Meeting of **Manappuram Insurance Brokers Limited** (the “**Company**”) will be held on **Tuesday, the 06th August, 2019 at 12:00 PM** at the registered office of the Company at 2nd Floor, Manappuram House (Old Building), Valapad, Thrissur 680 567, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited balance sheet of the Company as at March 31, 2019, the profit and loss account for the financial year ended March 31, 2019 and the cash flow Statement, notes to accounts and along with the director’s and auditor’s report thereon.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2019 and the report of the directors and auditors thereon, including annexure thereto as recommended by the board of directors for adoption by the members of the Company be and are hereby approved and adopted.

“**RESOLVED FURTHER THAT**, Mrs. Jyothi Prasannan (DIN: 00044371) Director of the Company be and are hereby authorized to do all such acts, deeds and things as may be required or considered necessary or incidental thereto including but not limited to filing of necessary forms with the Registrar of Companies, Kerala and to comply with all other requirements in this regard under Companies Act, 2013 and the rules and regulations made there under and such other law as may be applicable.”

2. Re-appoint Mr. V.P Nandakumar (DIN: 00044512) who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 Mr. V.P Nandakumar, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the company whose period of office will be liable to be retire by rotation .

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RESOLVED FURTHER THAT Mrs. Jyothi Prasannan, (DIN: 00044371) be and is hereby authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution.”

SPECIAL BUSINESS:

3. Regularization of Appointment of Mr. K Subrahmanyam (DIN 06730884) as an Independent Non Executive Director:-

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the company be and is hereby given to the appointment of Mr. Kollimarla Subrahmanyam (DIN: 06730884), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company with effect from 22nd December 2018 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of the independent directorship as provided in section 149(6) of the Act, who is eligible for appointment, be and is hereby appointed as an Independent Non Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

RESOLVED FURTHER THAT to give effect to this resolution, Mrs. Jyothi Prasannan, Director be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

**By and on behalf of the Board of,
Manappuram Insurance Brokers Ltd**

Sd/-

**Place: Valapad, Thrissur
Date: 10/07/2019**

**Anjurose Paulson
Company Secretary**

MANAPPURAM INSURANCE BROKERS LIMITED

2nd Floor, Manappuram House (Old Building)

Valapad, Thrissur 680 567

CIN: U66010KL2002PLC015699

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTES IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share Capital of Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours (Sunday is included in computation of 48 hours) before the commencement of the Meeting. A Proxy Form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
2. The Notice of AGM, Annual Report, Proxy Form and Attendance Slip are being sent to Members.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The Board of Directors, pursuant to the provisions of Section 161 of the Act and applicable rules made thereunder appointed Mr. Kollimarla Subrahmanyam (DIN: 06730884) as an Additional Director in the capacity of an Independent Director holding office up to the date of the Annual General Meeting.

The Nomination & Remuneration Committee had recommended and the Board has approved the appointment of Mr. Kollimarla Subrahmanyam as Independent Directors as per their letters of appointment for a period of 5 years from 22nd December 2018. Mr. Kollimarla Subrahmanyam has given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Mr. Kollimarla Subrahmanyam fulfill the conditions specified in the Act and the rules framed thereunder for appointment as Independent Director and they are independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Companies Act, 2013 the appointment of Mr. Kollimarla Subrahmanyam as Independent Directors is now being placed before the Members for their approval. All the relevant documents, contracts, the terms and conditions of the appointment of Mr. Kollimarla Subrahmanyam as Independent Directors of the Company shall be open for inspection by the Members at the Registered Office of the Company between 10:00 am to 1:00 pm on all working day, (Monday to Saturday) up to the date of Annual General Meeting and the same shall be available at the time of Annual General Meeting.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Kollimarla Subrahmanyam are concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no. 3 for approval of the Members.

Brief Profile of Kollimarla Subrahmanyam :

Mr. Subrahmanyam Kollimarla is a first-class graduate in Mathematics from Andhra University, An Associate of Institute and Faculty of Actuaries, London, A Fellow of the Institute of Actuaries of India, Mumbai, A Fellow of Insurance Institute of India. He has vast experience in life insurance business; employee benefits; insurance regulation and supervision. He has contributed a lot in various committees on insurance, pension and tax matters, and actuarial profession.

DIRECTORS REPORT

To
The Members of
MANAPPURAM INSURANCE BROKERS LIMITED

Your Directors are pleased to present the 17th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2019.

1. PERFORMANCE OF THE COMPANY/ SUMMARY OF FINANCIAL RESULTS

The financial results for the year ended 31st March 2019 and the corresponding figures for the last year are as under: -

Financial Results

(Amount in Rs)

| Sl. No. | Description | As on March 31, 2019 | As on March 31, 2018 |
|----------------|---------------------------------------|---------------------------------|---------------------------------|
| 1 | Income from Operations | 111,377,030.00 | 487,16,434.00 |
| 2 | Other Income | 1,956,009.00 | 10,48,200.00 |
| 3 | Total Expenditure | 64,894,110.00 | 317,94,561.00 |
| 4 | Profit (Loss) Before Tax | 48,438,929.00 | 179,70,072.00 |
| 5 | Tax Expenses (including deferred tax) | 14,198,420.00 | 20,98,747.00 |
| 6 | Profit/(loss) for the year | 34,240,509.00 | 158,71,326.00 |

2. RESERVES AND SURPLUS

During the year Company has not transferred any amount to the General Reserve. The total balance of reserves and surplus stands at Rs. 600,000.00 as on 31st March 2019.

3. STATE OF COMPANY'S AFFAIRS

We are glad to inform you that, your Company had performed extraordinarily well during the Financial Year 2018-19 and the growth of the company was above the target. The revenue from operations of the Company was Rs. 111,377,030.00 and profit for the year was Rs. 34,240,509.00. During the corresponding period of the previous year the revenue from operations of the Company was Rs. 487,16,434.00 and Net Profit was Rs. 158,71,326.00 Keeping the major focus on operation of business, your Company is looking into various opportunities that may be available considering the growth prospects.

4. ACHIEVEMENTS

Mr. Sai Kamalakar Rao, CEO of your Company received the best retail broker (life & general) award from BFSI awards presented by ABP news for the outstanding performance of the Company in retail broking business.

During the FY 18-19 our Company was certified with ISO 9001:2015.

5. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business during the current financial year. No material changes/commitments, affecting financial position of the Company have occurred between the year ended 31st March 2019 up to the date of this receipt.

6. DIVIDEND

To strengthen the financial position of the Company and to augment working capital your directors has not recommended any dividend for the F.Y. 2018-19.

7. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company comprises of well qualified and experienced persons in their respective areas.

a) During the Financial Year 2018-19, the Company held 4 board meetings as summarized below. The provisions of Secretarial Standards and the Companies Act, 2013 were adhered to while considering the time gap between two meetings.

| Sr. No. | Date of Meeting | Board Strength | No. of Directors Present |
|---------|-----------------|----------------|--------------------------|
| 1. | 16/05/2018 | 7 (Seven) | 7 (Seven) |
| 2. | 07/08/2018 | 7 (Seven) | 6 (Six) |
| 3. | 01/11/2018 | 7 (Seven) | 5 (Five) |
| 4. | 04/02/2019 | 7 (Seven) | 6 (Six) |

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. V.P Nandakumar, Director (DIN :- 00044512) retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

During the year 2018-19 there were the following changes in the constitution of the Board and KMP;

| Sl No. | Name of the Director/ KMP | Nature of change | Date of change |
|--------|---------------------------|------------------|----------------|
| 1 | Mr. K. Subrahmanyam | Appointment | 22/12/2018 |
| 2 | Mr. Sooraj Nandan | Resignation | 04/02/2019 |
| 3 | Mr. Shanto Paul - CFO | Appointment | 04/02/2019 |

9. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company. But the Company as a part of good corporate Governance has framed Nomination and Remuneration Committee which works as per the approved charter of Committee.

10. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions Corporate Social Responsibility is not applicable to the company.

11. RISK MANAGEMENT POLICY

Considering the size and number of transactions during the year, the Company has adequate risk management plan and board has a sufficient control over various risks of the Company. Risk status of the Company is quarterly reviewed by the Board of Directors and is periodically reviewed by the top management and significant risks are being reported to the Board.

12. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

The Company does not have any Subsidiary / Joint Ventures / Associate Companies. The Company is a wholly owned subsidiary of M/s. Manappuram Finance Limited

13. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

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

14. CHANGES IN SHARE CAPITAL

During the year, there was no change in the capital of the Company. Manappuram Finance Limited holds 100% shares of the Company.

15. STATUTORY AUDITORS

The Auditors, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number-117366W/W-100018, 31st Floor. Indiabulls finance Centre, Tower 3, SB Marg. Mumbai 100013. India), were appointed as Statutory Auditors of the Company from the conclusion of 15th AGM of the Company till five years.

16. AUDITORS' REPORT

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors' remarks in their report are self-explanatory and do not call for any future comments.

17. EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of annual return in MGT-9 as a part of this Annual Report.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans, made investment, gave guarantee or provided security as per the provisions of Section 186 of the Companies Act, 2013.

19. DEPOSIT

The Company has neither accepted nor renewed any deposits during the year under review.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company had entered into related party transaction during the current year. The Company presents all related party transactions before the Board specifying the nature, value, and terms and conditions of the transaction. Transactions with related parties are conducted in a transparent manner with the interest of the Company and Stakeholders as utmost priority.

FORM AOC- 2 giving details about the related party transaction during the year is attached as annexure of Board Report

21. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee we have formed regional committee at Thrissur Level dated 06th February 2017.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complaint during the year 2018-19

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earning and outgo are as follows:

Conservation Of Energy

| | | |
|-------|---|--|
| (i) | the steps taken or impact on conservation of energy | Company's operation does not consume significant amount of energy. |
| (ii) | the steps taken by the company for utilizing alternate sources of energy. | Not applicable, in view of comments in clause (i) |
| (iii) | the capital investment on energy conservation equipment's | Not applicable, in view of comments in clause (i) |

Technology Absorption

| | | |
|-------|--|--|
| (i) | the effort made towards technology absorption | The Company has adopted BRP system for smooth running of its business and better completion Implementation –Online based insurance policy issuance through the Company website is in process in order to attract tech customers and to give better comparison of various insurance products of various insurance companies. |
| (ii) | the benefits derived like product improvement cost reduction product development or import substitution | These technology brings more business to the Company with lesser man power inception and will be cost-effective |
| (iii) | in case of imported technology (important during the last three years reckoned from the beginning of the financial year) | Nil |
| | (a) the details of technology imported | |
| | (b) the year of import; | |
| | (c) whether the technology been fully absorbed | |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | |
| (iv) | the expenditure incurred on Research and Development | Nil |

Foreign exchange earnings and outgo

During the year, the total foreign exchange used was Rs. Nil and the total foreign exchange earned was Rs. Nil

23. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF)

24. COMPLIANCE WITH SECRETARIAL STANDARDS

The applicable Secretarial Standards i.e. SS-1 and SS-2 relating to the 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly complied by your company.

25. DIRECTORS'S RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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 at the end of the financial year and of the profit and loss of the company for that period;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;

26. DECLARATION BY INDEPENDENT DIRECTOR UNDER SECTION 149 (6)

The provisions of Section 149(4) relating to appointment of Independent Directors are not applicable to the Company. However, as a part of good corporate governance Company has appointed 3 Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 during the FY 2017-18 and declaration have been obtained at the beginning of F.Y. 2019-20.

27. COMMITTEE

The Company has several committees which are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board:

- Audit Committee
- Nomination and Remuneration Committee

Audit Committee

As on March 31, 2019, the Audit Committee of Manappuram Insurance Brokers Limited comprises of following 3 (Three) Members, Majority are Independent Non Executive Directors:

| Name | Designation | Category |
|------------------------|-------------|--|
| Mr. M.N Gunavardhanan | Chairman | Independent and Non Executive Director |
| Mr. V.R Ramachandran | Member | Independent and Non Executive Director |
| Mr. B.N Raveendra Babu | Member | Non Executive Director |

The committee met 4 times during the FY 2018-19 as follows;

| Sr. No. | Date of Meeting | Number of members | No. of members Present |
|---------|-----------------|-------------------|------------------------|
| 1. | 16/05/2018 | 3 (Three) | 3 (Three) |
| 2. | 07/08/2018 | 3 (Three) | 3 (Three) |
| 3. | 01/11/2018 | 3 (Three) | 3 (Three) |
| 4. | 04/02/2019 | 3 (Three) | 3 (Three) |

All the recommendation made by the Audit Committee were accepted by the Board of Directors.

Nomination and Remuneration Committee

As on March 31, 2019, the Nomination and Remuneration Committee of Manappuram Insurance Brokers Limited comprises of following 3 (four) Members.

| Name | Designation | Category |
|----------------------|-------------|-------------------------------|
| Mr. V.R Ramachandran | Chairman | Independent and Non Executive |

| | | |
|-----------------------|--------|--|
| | | Director |
| Mr. M.N Gunavardhanan | Member | Independent and Non Executive Director |
| Mr. P.K Vijayakumar | Member | Independent and Non Executive Director |

The committee met 3 times during the FY 2018-19 as follows;

| Sr. No. | Date of Meeting | Number of members | No. of members Present |
|---------|-----------------|-------------------|------------------------|
| 1. | 16/05/2018 | 3 (Three) | 3 (Three) |
| 2. | 01/11/2018 | 3 (Three) | 2 (Two) |
| 3. | 04/02/2019 | 3 (Three) | 2 (Two) |

All the recommendation made by the Nomination and remuneration committee were accepted by the Board of Directors.

28. ACKNOWLEDGEMENTS

The Directors acknowledge the dedicated service rendered by all employees and support rendered by the employees of holding Company and customers. The directors specially thank the auditors, bankers and all stakeholders for their contribution to the growth of the company. The Directors also pay their homage to the patrons behind this initiative who have sought eternal abode.

// BY ORDER OF THE BOARD //

Place : Valapad
Date : 08th May 2019

Sd/-

V.P. Nandakumar
Chairman
DIN : 00044512

FORM NO. 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.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

| SL. No. | Particulars | Details |
|---------|---|---------|
| 1. | Name (s) of the related party & nature of relationship | NA |
| 2. | Nature of contracts/arrangements/transaction | NA |
| 3. | Duration of the contracts/arrangements/transaction | NA |
| 4. | Salient terms of the contracts or arrangements or transaction including the value, if any | NA |
| 5. | Justification for entering into such contracts or arrangements or transactions' | NA |
| 6. | Date of approval by the Board | NA |
| 7. | Amount paid as advances, if any | NA |
| 8. | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NA |

2. Details of contracts or arrangements or transactions at Arm's length basis:

| SL. No. | Particulars | | | | | | |
|---------|---|---|---|----------------------------|----------------------------|-----------------------------|-------------------------|
| 1. | Name (s) of the related party & nature of relationship | Manappuram Comptech and Consultants Limited | Manappuram Comptech and Consultants Limited | Manappuram Finance Limited | Manappuram Finance Limited | Manappuram Finance Limited | Sai Kamalakar |
| 2. | Nature of contracts/arrangements/transaction | Fees for technical and consultancy services | Legal and Professional charges | Rent Expenses | Repairs and maintenance | Payment of security deposit | Managerial Remuneration |
| 3. | Duration of the contracts/arrangements/transaction | Up to termination | Up to termination | Up to termination | Up to termination | Up to termination | NA |
| 4. | Salient terms of the contracts or arrangements or transaction including the value, if any | | | | | | |
| 5. | Date of approval by the Board | 08/05/2018 | 08/05/2018 | 08/05/2018 | 08/05/2018 | 08/05/2018 | 08/05/2018 |
| 6. | Amount paid as advances, if any | NA | NA | NA | NA | NA | NA |

Place : Valapad
Date : 08th May 2019

Sd/-

Annexure

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

As on financial year ended on 31.03.2019

**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 | U66010KL2002PLC015699 |
| 2. | Registration Date | 17/10/2002 |
| 3. | Name of the Company | MANAPPURAM INSURANCE BROKERS LIMITED |
| 4. | Category/Sub-category of the Company | Company limited by Shares, Public Company Non-Govt company |
| 5. | Address of the Registered office & contact details | 2 nd Floor, Manappuram House (Old Building), Valapad, Thrissur, Kerala – 680567. |
| 6. | Whether listed company | Unlisted |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | NA |

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)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1 | Insurance brokerage and agency services | 66210 | 98.27% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

| S. NO | NAME AND ADDRESS OF COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section |
|-------|-----------------------------|-----------------------|--------------------------------|------------------|--------------------|
| 1 | MANAPPURAM FINANCE LIMITED | L65910KL1992PLC006623 | HOLDING COMPANY | 100% | 2(87)(ii) |

| | | | | | | | | | |
|--|-----|---------|---------|------|-----|---------|---------|------|-----|
| Corporate Bodies | | | | | | | | | |
| Foreign Nationals | | | | | | | | | |
| Clearing Members | | | | | | | | | |
| Trusts | | | | | | | | | |
| Foreign Bodies - D R | | | | | | | | | |
| Sub-total (B)(2):- | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | | | | | | | | | |
| C. Shares held by Custodian for GDRs & ADRs | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Grand Total (A+B+C) | NIL | 1570000 | 1570000 | 100% | NIL | 1570000 | 1570000 | 100% | -- |

B) Shareholding of Promoter-

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|----|----------------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|---|--|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | |
| 1 | Manappuram Finance Limited | 1570000 | 100% | NIL | 1570000 | 100% | NIL | -- |
| | Total | | 100% | | | | | |

C) Change in Promoters' Shareholding (please specify, if there is no change)- There is no change in the shareholding of promoters during the year 2018-19.

| SN | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | | | | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year | | | | |

| | | | | | |
|--|---|--|--|--|--|
| | specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | | | | |

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs): All the shares of the Company are held by Promoters.**

| SN | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | | | | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | | | | |

E) Shareholding of Directors and Key Managerial Personnel:

| SN | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | V.P. Nandakumar (On behalf of Manappuram Finance Limited) | | | | |
| | At the beginning of the year | 1 share | 0% | 1 share | 0% |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | 0 shares | 0% | 1 share | 0% |
| | At the end of the year | 1 share | 0% | 1 share | 0% |
| 2 | Sooraj Nandan (On behalf of Manappuram Finance Limited) | | | | |
| | At the beginning of the year | 1 share | 0% | 1 share | 0% |

| | | | | | |
|----------|--|---|----|----------|----|
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 1 share- Transferred to Ms. Jyothi Prasannan – 01.11.2018 | 0% | 1 share | 0% |
| | At the End of the year | 0 share | 0% | 0 share | 0% |
| 3 | Jyothi Prasannan | | | | |
| | At the beginning of the year | 0 share | 0% | 0 share | 0% |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 1 share – Transferred from Mr. Sooraj Nandan 01.11.2018 | 0% | 1 share | 0% |
| | At the End of the year | 1 shares | 0% | 1 shares | 0% |
| 4 | B.N. Raveendra Babu(On behalf of Manappuram Finance Limited) | | | | |
| | At the beginning of the year | 1 share | 0% | 1 share | 0% |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 shares | 0% | 1 share | 0% |
| | At the End of the year | 1 share | 0% | 1 share | 0% |
| 5 | Adv. V.R. Ramachandran | | | | |
| | At the beginning of the year | 0 shares | 0% | 0 shares | 0% |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 shares | 0% | 0 shares | 0% |
| | At the End of the year | 0 shares | 0% | 0 shares | 0% |
| 6 | M.N. Gunavardhanan | | | | |
| | At the beginning of the year | 0 shares | 0% | 0 shares | 0% |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 shares | 0% | 0 shares | 0% |

| | | | | | |
|-----------|--|----------|----|----------|----|
| | At the End of the year | 0 shares | 0% | 0 shares | 0% |
| 7 | P.K. Vijayakumar | | | | |
| | At the beginning of the year | 0 shares | 0% | 0 shares | 0% |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 shares | 0% | 0 shares | 0% |
| | At the End of the year | 0 shares | 0% | 0 shares | 0% |
| 8 | Mr. K Subrahmanyam | | | | |
| | At the beginning of the year | 0 shares | 0% | 0 shares | 0% |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 shares | 0% | 0 shares | 0% |
| | At the End of the year | 0 shares | 0% | 0 shares | 0% |
| 9 | Mr. Sai Kamalakar Rao (CEO) | | | | |
| | At the beginning of the year | 0 shares | 0% | 0 shares | 0% |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 shares | 0% | 0 shares | 0% |
| | At the End of the year | 0 shares | 0% | 0 shares | 0% |
| 10 | Ms. Anjurose Paulson (Company Secretary) | | | | |
| | At the beginning of the year | 0 shares | 0% | 0 shares | 0% |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 shares | 0% | 0 shares | 0% |
| | At the End of the year | 0 shares | 0% | 0 shares | 0% |
| 11 | Mr. Shanto Paul (CFO) | | | | |
| | At the beginning of the year | 0 shares | 0% | 0 shares | 0% |

| | | | | |
|--|----------|----|----------|----|
| Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 shares | 0% | 0 shares | 0% |
| At the End of the year | 0 shares | 0% | 0 shares | 0% |

F) **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 | Nil | Nil | Nil | Nil |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | Nil | Nil | Nil | Nil |
| Change in Indebtedness during the financial year | Nil | Nil | Nil | Nil |
| • Addition | | | | |
| • Reduction | | | | |
| Net Change | Nil | Nil | Nil | Nil |
| Indebtedness at the end of the financial year | Nil | Nil | Nil | Nil |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | Nil | Nil | Nil | Nil |

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- NIL

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

| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | Total Amount |
|------------|--|---------------------------------------|------|------|---------------------|
| | | Sai Kamalakar (Considered as Manager) | ---- | ---- | --- |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 72,05,484 | | | |
| | (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 | 15,51,347 | | | | |
| 3 | Sweat Equity | -- | | | | |
| 4 | Commission - as % of profit - others, specify... | -- | | | | |
| 5 | Others, please specify- Performance Bonus | 36,00,000 | | | | |
| | Total (A) | 1,23,56,831 | | | | |
| | Ceiling as per the Act | *51,58,985 | | | | |

* 11% of the Net Profit calculated under Section 198 of the Companies Act, 2013.

B. REMUNERATION TO OTHER DIRECTORS

| SN. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|-----|--|--------------------|------------------|-------------------|-------------------------|--------------|
| | | | | | | |
| 1 | Independent Directors | M.N. Gunavardhanan | P.K. Viajyakumar | Adv. Ramachandran | Subrahmanyam Kollimorla | |
| | Fee for attending board committee meetings | | | | | |
| | Commission | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 | 4,00,000 |
| | Others, please specify | | | | | |
| | Total (1) | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 | 4,00,000 |
| 2 | Other Non-Executive Directors | | | | | |
| | Fee for attending board committee meetings | | | | | |
| | Commission | | | | | |
| | Others, please specify | | | | | |
| | Total (2) | | | | | |
| | Total (B)=(1+2) | | | | | |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | | | | | *4,68,999 |

* 1% of the Net Profit calculated under section 198 of the Companies Act, 2013.

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

| SN | Particulars of Remuneration | Key Managerial Personnel | | | |
|----|---|--|----------|----------|-------|
| | | CEO (considered as Manager and provided the details above) | CS | CFO | Total |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | 8,30,448 | 3,90,361 | |
| | (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... Performance Bonus | | | | |
| 5 | Others, please specify | | | | |
| | Total | | | | |

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

| 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 | | | | | |

V.P. Nandakumar
Chairman
DIN : 00044512

INDEPENDENT AUDITOR'S REPORT

**To The Members of Manappuram Insurance Brokers Limited
Report on the Audit of the financial statements**

Opinion

We have audited the accompanying financial statements of Manappuram Insurance Brokers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures to Directors' Report but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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 Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We 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 our audit.

We also provide those charged with governance with a statement that we 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

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- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS AND SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



(Shrenik Baid)
(Partner)
(Membership No. 103884)

Place: Mumbai
Date: May 08, 2019



**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF MANAPPURAM INSURANCE BROKERS LIMITED
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **MANAPPURAM INSURANCE BROKERS LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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 authorisations 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.

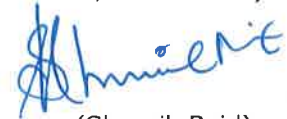
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 our opinion, to the best of our information and according to the explanations given to us, 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 criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W - 100018)



(Shrenik Baid)
(Partner)
(Membership No. 103884)

Place: Mumbai
Date: May 08, 2019



**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF MANAPPURAM
INSURANCE BROKERS LIMITED**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Companies (Auditor's Report) Order, 2016 ("CARO 2016") is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. The Company did not have any unclaimed deposit.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Service Tax, 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.
- (c) Details of dues of Income-tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

| Name of Statute | Nature of Dues | Forum where Dispute is Pending | Period to which the Amount Relates | Amount Involved (Rs.) | Amount Unpaid (Rs.) |
|------------------------|-----------------------|---------------------------------------|---|------------------------------|----------------------------|
| Income tax Act, 1961 | Income-tax | Commissioner of Income-tax (Appeals) | 2012-13 | 229,010 | 194,658 |

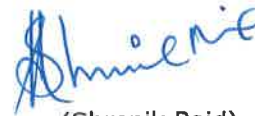
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of CARO Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. 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 (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

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**Deloitte
Haskins & Sells LLP**

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W - 100018)



(Shrenik Baid)
(Partner)

(Membership No. 103884)

Place: Mumbai
Date: May 08, 2019



Manappuram Insurance Brokers Limited
Balance Sheet as at March 31, 2019

| Particulars | | Note No. | As at March 31, 2019 Amount In Rs. | As at March 31, 2018 Amount In Rs. | As at April 01, 2017 Amount In Rs. |
|-------------|---|----------|---------------------------------------|---------------------------------------|---------------------------------------|
| A | ASSETS | | | | |
| 1 | Non-current assets | | | | |
| | (a) Property, Plant and Equipment | 5 | 2,966,751 | 622,452 | 1,310,686 |
| | (b) Other Intangible assets | 6 | 1,381,099 | 635,781 | 48,896 |
| | (c) Intangible assets under development | 6 | 425,000 | 1,400,000 | - |
| | (d) Other financial asset | 7 | 2,471,113 | 364,644 | 364,644 |
| | (e) Deferred tax assets (Net) | 8 | 1,316,988 | 2,329,499 | - |
| | (f) Other non current assets | 9 | 34,352 | 34,352 | - |
| | Total Non - Current Assets | | 8,595,303 | 5,386,728 | 1,724,226 |
| 2 | Current assets | | | | |
| | (a) Financial Assets | | | | |
| | (i) Trade receivables | 10 | 25,678,799 | 10,883,295 | 3,624,489 |
| | (ii) Cash and bank balances | 11 | 4,203,469 | 940,112 | 79,494 |
| | (iii) Bank balances other than (ii) above | 11 | 42,524,065 | 18,260,497 | 1,655,161 |
| | (iv) Other financial assets | 7 | 810,775 | 865,413 | 315,231 |
| | (b) Current Tax Assets (Net) | 16 | 3,750,383 | 3,750,383 | 4,961,016 |
| | (c) Other current assets | 9 | 778,422 | - | 188,770 |
| | Total Current Assets | | 77,745,913 | 34,699,700 | 10,824,161 |
| | Total Assets | | 86,341,216 | 40,086,428 | 12,548,387 |
| B | EQUITY AND LIABILITIES | | | | |
| 1 | Equity | | | | |
| | (a) Equity Share capital | 12 | 15,700,000 | 15,700,000 | 7,700,000 |
| | (b) Other Equity | 13 | 49,940,443 | 13,010,780 | (567,035) |
| | Total equity | | 65,640,443 | 28,710,780 | 7,132,965 |
| | Liabilities | | | | |
| 2 | Non-current liabilities | | | | |
| | (a) Financial Liabilities | | | | |
| | Borrowings | 14 | - | - | 372,490 |
| | (b) Provisions | 15 | 899,955 | 889,598 | 101,000 |
| | (c) Deferred tax liabilities (Net) | 8 | - | - | 2,606 |
| | Total Non - Current Liabilities | | 899,955 | 889,598 | 476,096 |
| 3 | Current liabilities | | | | |
| | (a) Financial Liabilities | | | | |
| | Trade payables | | | | |
| | - Total outstanding dues of Micro, Small and Medium Enterprises | 17 | - | - | - |
| | - Total outstanding dues of creditor's other than Micro, Small and Medium Enterprises | 17 | 11,218,209 | 6,918,045 | 3,628,252 |
| | Borrowings | 14 | - | - | 744,981 |
| | (b) Provisions | 15 | 87,429 | 85,259 | 33,000 |
| | (c) Current tax liabilities (Net) | 16 | 1,176,877 | - | - |
| | (d) Other current liabilities | 18 | 7,318,303 | 3,482,746 | 533,093 |
| | Total Current Liabilities | | 19,800,818 | 10,486,050 | 4,939,326 |
| | Total Equity and Liabilities | | 86,341,216 | 40,086,428 | 12,548,387 |

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Shrenik Baid
Partner
Membership No. : 103884



For and on behalf of the Board of Directors

V.P. Nandakumar
(Chairman)
DIN : 00044512
Sai Kamalakar
(CEO & Principal Officer)

Anjurose Paulson
(Company Secretary)

Jyothi Prasannan
(Director)
DIN : 00044371
Shanto Paul
(Chief Financial Officer)

Mumbai,
Date: May 8, 2019

Valapad,
Date: May 8, 2019

Manappuram Insurance Brokers Limited
Statement of Profit and Loss for the year ended March 31, 2019

| Particulars | Note No. | For the year ended | For the year ended |
|---|----------|--------------------|--------------------|
| | | March 31, 2019 | March 31, 2018 |
| | | Amount in Rs. | Amount in Rs. |
| I Revenue from operations | 19 | 111,377,030 | 48,716,434 |
| II Other Income | 20 | 1,956,009 | 1,048,201 |
| III Total Revenue (I + II) | | 113,333,039 | 49,764,635 |
| IV Employee benefit expense | 21 | 50,967,726 | 33,712,967 |
| V Finance costs | 22 | 1,571 | 93,804 |
| VI Depreciation and amortisation expense | 5 & 6 | 1,006,008 | 860,603 |
| VII Other expenses | 23 | 12,918,805 | 7,669,424 |
| VIII Total Expenses (IV+V+VI+VII) | | 64,894,110 | 42,336,798 |
| IX Profit before tax (III - VIII) | | 48,438,929 | 7,427,837 |
| Tax Expense | | | |
| (1) Current tax | 32 | 13,200,467 | 2,981,216 |
| (2) Deferred tax | 8 | 997,953 | (2,229,225) |
| (3) Provision for tax related to prior years | | - | 434,763 |
| X Total tax expense | | 14,198,420 | 1,186,754 |
| XI Profit for the year (V + VI) | | 34,240,509 | 6,241,083 |
| XII Other comprehensive income | | | |
| A (i) Items that will not be recycled to profit or loss | | 52,330 | (373,430) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | (14,558) | 102,880 |
| B (i) Items that may be reclassified to profit or loss | | - | - |
| (ii) Income tax on items that may be reclassified to profit or loss | | - | - |
| XIII Total comprehensive income for the year | | 34,278,281 | 5,970,533 |
| XIV Earnings per equity share: | | | |
| (1) Basic | 31 | 21.81 | 3.98 |
| (2) Diluted | 31 | 21.81 | 3.98 |

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



Shrenik Baid
Partner
Membership No. : 103884



Mumbai,
Date: May 8, 2019

For and on behalf of the Board of Directors



V.P. Nandakumar
(Chairman)
DIN : 00044512


Sai Kamalakar
(CEO & Principal Officer)


Anjurose Paulson
(Company Secretary)

Valapad,
Date: May 8, 2019



Jyothi Prasannan
(Director)
DIN : 00044371


Shanto Paul
(Chief Financial Officer)

Manappuram Insurance Brokers Limited
Statement of Cash Flows for the year ended March 31, 2019

| PARTICULARS | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| | Amount in Rs. | Amount in Rs. |
| A. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts towards brokerage | 96,581,526 | 40,960,791 |
| Cash paid to suppliers and employees | 55,567,505 | 26,245,864 |
| Cash generated from operations | 41,014,021 | 14,714,927 |
| Income taxes paid | (12,023,590) | (1,996,209) |
| Cash flow before extraordinary item | 28,990,431 | 12,718,718 |
| Extraordinary item | - | - |
| Net cash flow from operating activities (A) | 28,990,431 | 12,718,718 |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Capital expenditure on property, plant and equipment including Capital advances | (3,120,625) | (1,166,920) |
| Proceeds from sale of property, plant and equipment | - | 309,332 |
| Intangible assets under development | - | (1,400,000) |
| Bank balances not considered as cash and cash equivalents | | |
| - Placed | (24,263,568) | (16,605,336) |
| - Matured | - | - |
| Interest Received | 1,657,120 | 216,099 |
| Net cash used in Investing activities (B) | (25,727,073) | (18,646,826) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of equity Shares | - | 8,000,000 |
| Proceeds from long-term borrowings | - | - |
| Share application money received | - | - |
| Repayment of long term borrowings | - | (1,117,471) |
| Repayment of short term borrowings | - | - |
| Finance cost | - | (93,804) |
| Net cash from financing activities (C) | - | 6,788,725 |
| Net Increase/(decrease) in cash and cash equivalents (A)+(B)+(C) | 3,263,358 | 860,618 |
| Cash and cash equivalents at the beginning of the year | 940,111 | 79,494 |
| Cash and cash equivalents at the end of the year | 4,203,469 | 940,112 |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash and cash equivalents | 46,727,534 | 19,200,609 |
| Less: Bank balances not considered as Cash and cash equivalents as defined in Ind AS 7 Cash Flow Statements: | | |
| (i) In other deposit accounts | | |
| - original maturity more than 3 months | 42,524,065 | 18,260,497 |
| Net Cash and cash equivalents (as defined in Ind AS 7 Cash Flow Statements) | 4,203,469 | 940,112 |

Notes:

- The above Statement of Cash Flow has been prepared as prescribed by the Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018 under the "Direct Method" as laid out in Indian Accounting Standard (Ind AS) - 7 on Statements of Cash flows as specified under the Companies Act, 2013
- Accordingly, the previous year cash flow has also been presented under the "Direct Method".

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Shrenik Baid

Shrenik Baid
Partner
Membership No. : 103884



Mumbai,
Date: May 8, 2019



For and on behalf of the Board of Directors

KVPN

V.P. Nandakumar
(Chairman)
DIN : 00044512

Sal Kamalakar
Sal Kamalakar
(CEO & Principal Officer)

Anjurose Paulson
Anjurose Paulson
(Company Secretary)

Valapad,
Date: May 8, 2019

Jyothi Prasannan
Jyothi Prasannan
(Director)
DIN - 00044371

Shanto Paul
Shanto Paul
(Chief Financial Officer)

Manappuram Insurance Brokers Limited
Statement of changes in Equity for the year ended March 31, 2019

Equity Share Capital for the year ended March 31, 2019

A. Equity share capital

| Particulars | Amount in Rs. |
|---|---------------|
| Balance at April 1, 2017 | 7,700,000 |
| Changes in equity share capital during the year Issue of equity shares | 8,000,000 |
| Balance at March 31, 2018 | 15,700,000 |
| Changes in equity share capital during the year | - |
| Balance at March 31, 2019 | 15,700,000 |

B. Other Equity

| Particulars | Reserves and Surplus | | | Total |
|--|--------------------------|-----------------|-------------------|------------|
| | Share Option Outstanding | General reserve | Retained earnings | |
| Balance at April 1, 2017 | 1,993,878 | 600,000 | (3,160,913) | (567,035) |
| Profit for the year | - | - | 6,241,083 | 6,241,083 |
| Other comprehensive income for the year, net of income tax | - | - | (270,550) | (270,550) |
| Employee stock option expense (ESOP) | 7,607,282 | - | - | 7,607,282 |
| Balance at March 31, 2018 | 9,601,160 | 600,000 | 2,809,620 | 13,010,780 |
| Profit for the year after income tax | - | - | 34,240,509 | 34,240,509 |
| Other comprehensive income for the year, net of income tax | - | - | 37,772 | 37,772 |
| Employee stock option expense (ESOP) | 2,651,382 | - | - | 2,651,382 |
| Balance at March 31, 2019 | 12,252,542 | 600,000 | 37,087,901 | 49,940,443 |

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Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Accounting Policies

Note No. 1: Corporate Information

Manappuram Insurance Brokers Limited (the "Company") was incorporated on October 17, 2002 vide certificate of incorporation U66010KL2002PTC015699 issued by the Registrar of Companies, Kerala. The Company is an Insurance Regulatory and Development Authority of India ("IRDAI") registered Broker in the category "Direct" for Life and General Insurance Business. The Company has renewed its IRDAI Licence for a period of 3 years from November 2, 2018 to November 1, 2021.

Note No. 2: Basis of preparation and presentation

a. Basis of preparation

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 ('Ind AS Rules').

The financial statements for the year ended March 31, 2019 are the first financial statement of the Company prepared under Ind AS. For all periods upto and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with generally accepted accounting principles in India ("Indian GAAP"), in compliance with all material aspects of the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements for the year ended March 31, 2018 and the opening Balance Sheet as at April 01, 2017 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in Note No. 4: First-time Adoption of Ind AS.

b. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c. Functional and presentation currency

The financial statements are presented in Indian Rupees which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Note No. 3: Significant accounting policies

3.1. Use of estimates, judgments and assumptions

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 recognized in the period in which the estimates are revised and future periods are affected.

3.2. Recognition of Income

(i) The company earns brokerage from Insurance Companies on insurance policies placement and revenue thereof is recognised from the risk start date when the policy placement is substantially completed and accepted thereby satisfying the performance obligation and the ultimate collection thereof is reasonably certain. Income is stated net of Goods and Service Tax ("GST").

(ii) Interest Income is accounted on accrual basis.

3.3. Property, Plant and equipment (PPE)

On adoption of Ind AS, the company retained the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and has used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards.'

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use.



Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any Impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciable amount for asset is the cost of an asset or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 and retaining 5% of original cost as residual value.

The estimated useful lives are, as follows:

| Particulars | Useful Life of Assets |
|------------------------|-----------------------|
| Furniture and Fixtures | 10 |
| Plant and Equipment | 3 |
| Office Equipment | 5 |

Computer software is amortised on straight line method from the date they are available for use, over the useful life of the asset (5 years), as estimated by the management.

All assets individually costing less than Rs. 5000 are depreciated at 100%.

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.

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.

Property 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 operating income in the Statement of Profit and Loss in the year in which 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.

3.4. Intangible assets

Intangible assets comprising of computer softwares are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss. Intangible assets are amortized over the period of five years. The intangible asset is amortised on a straight line from the date they are available for use over the useful life of the asset.

An intangible asset is derecognised on disposal, or when no future economic benefit are expected from use or disposal.

3.5. Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. 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.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.6. Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

For arrangements entered into prior to April 1, 2017, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.



Company as a lessee

Leases that do not transfer to the Company substantially all of the risks and benefits incidental to ownership of the leased items are operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which they it is incurred.

3.7. Retirement and other employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences. The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Gratuity

The company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The company has a funded scheme with LIC. The gratuity liability is calculated using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. 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, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized in the Statement of Profit and Loss during the year.

Compensated absence

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

3.8. Borrowing cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

3.9. Taxes

Income tax expense comprises of current and deferred income tax. Current / Deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income in which case the related income tax is also recognized accordingly. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority. The Company only off-sets its deferred tax assets against liabilities when there is both a legal right to offset and it is the Company's intention to settle on a net basis.



i) Current Taxes

Current tax is the amount of income taxes payable/ receivable in respect of taxable profit/ loss 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. Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Interest income / expenses and penalties, if any, related to income tax are included in current tax expense. 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 (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI 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.

ii) Deferred Taxes

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

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. 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 only 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.

The carrying amount of deferred tax assets are 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 reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit 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 (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI 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.

Current and deferred taxes are recognised as income tax benefits or expenses in the Statement of profit and loss except for tax related to the fair value re-measurement of financial assets classified through other comprehensive income which are charged or credited to Other Comprehensive Income (OCI). These exceptions are subsequently reclassified from OCI to the statement of profit and loss together with the respective deferred loss or gain. The Company also recognises the tax consequences of payments and issuing costs, related to financial instruments that are classified as equity, directly in equity.

3.10. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares if any.

3.11. Provisions and other Contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and 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. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The increase in the provision due to un-winding of discount over passage of time is recognised within finance costs. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement in other operating expenses.



A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

3.12. Cash and cash equivalent

Cash and cash equivalents in the balance sheet comprise cash on hand and balances with other banks in current accounts. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.13. Cash flow statement

Cash flows are reported using the direct method. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.14. Non Derivative Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial assets measured at amortised cost

Financial assets are subsequently measured at amortised cost if both the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets measured at fair value through other comprehensive income

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income ('FVTOCI'). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised as gains/ (losses) within other income or other expense. Interest income from these financial assets is included in other income using the effective interest rate method.

Financial instrument measured at fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss as gains/(losses) within other income or other expense in the period in which it arises. Interest income from these financial assets is included in other income.

De-recognition of financial assets

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial assets or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Financial liabilities

The Company's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the Statement of Profit and Loss.

The Company derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are measured at the proceeds received net of direct issue cost.

Offsetting of financial instruments

Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 4: First-time Adoption of Ind AS

These financial statements, for the year ended March 31, 2019, are the first financial statements of the Company prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 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 periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 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 April 01, 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 April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

Exemptions applied:

1. Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement.

2. A first-time adopter may opt to continue with the carrying value for all of its Property, Plant and Equipment (PPE) as recognised in its previous GAAP financial as deemed cost at the transition date. However, it makes necessary adjustments for decommissioning liabilities to be included in the carrying value of PPE. The Company has used Ind AS 101 exemption and continued with the carrying value as recognised in previous GAAP as deemed cost on the transition date.

3. Ind AS 109 requires a financial asset to be measured at amortised cost if it meets two tests that deal with the nature of the business that holds the assets and the nature of the cash flows arising on those assets. A first-time adopter must assess whether a financial asset meets the conditions on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Ind AS 101 also contains mandatory exception related to classification of financial asset which states that conditions for classifying financial assets to be tested on the basis of facts and circumstances existing at the date of transition to Ind AS instead of the date on which it becomes party to the contract.

The Company has opted to classify all financial assets and liabilities based on facts and circumstances existing on transition date.

4. As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of "Derecognition of financial assets and financial liabilities" wherein a first-time adopter shall apply the Derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs.

The Company has opted not to re-evaluate financial assets derecognized in the past including those sold to asset restructuring companies.

Estimates:

The estimates at April 01, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

-Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2017, the date of transition to Ind AS and as of March 31, 2018.



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 4: First-time Adoption of Ind AS

Equity reconciliation for April 01, 2017

(Amount In Rs.)

| Particulars | Notes | Previous GAAP | Adjustments | Ind AS |
|---|-------|-------------------|-------------|-------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| (a) Property, Plant and Equipment | 5 | 1,310,686 | - | 1,310,686 |
| (b) Other Intangible assets | 6 | 48,896 | - | 48,896 |
| (c) Intangible assets under development | 6 | - | - | - |
| (d) Other Financial Asset | 7 | 364,644 | - | 364,644 |
| Current assets | | | | |
| (a) Financial Assets | | | | |
| (i) Trade receivables | 10 | 3,624,489 | - | 3,624,489 |
| (ii) Cash and bank balances | 11 | 79,494 | - | 79,494 |
| (iii) Bank balances other than (ii) above | 11 | 1,655,161 | - | 1,655,161 |
| (iv) Other Financial Assets | 7 | 315,231 | - | 315,231 |
| (b) Current Tax Assets (Net) | 16 | 4,961,016 | - | 4,961,016 |
| (c) Other current assets | 9 | 188,770 | - | 188,770 |
| Total Assets | | 12,548,387 | - | 12,548,387 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity Share capital | 12 | 7,700,000 | - | 7,700,000 |
| (b) Other Equity | 13 | (571,958) | 4,923 | (567,035) |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| Borrowings | 14 | 375,000 | (2,510) | 372,490 |
| (b) Provisions | 15 | 101,000 | - | 101,000 |
| (c) Deferred tax liabilities(Net) | 8 | - | 2,606 | 2,606 |
| Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| Trade payables | | | | |
| - Total outstanding dues of Micro, Small and Medium Enterprises | 17 | - | - | - |
| - Total outstanding dues of creditor's other than Micro, Small and Medium Enterprises | 17 | 3,628,252 | - | 3,628,252 |
| Borrowings | 14 | 750,000 | (5,019) | 744,981 |
| (b) Provisions | 15 | 33,000 | - | 33,000 |
| (c) Current tax liabilities(Net) | 16 | - | - | - |
| (d) Other current liabilities | 18 | 533,093 | - | 533,093 |
| Total Equity and Liability | | 12,548,387 | - | 12,548,387 |

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 4: First-time Adoption of Ind AS

Equity reconciliation for March 31, 2018

(Amount in Rs.)

| Particulars | Notes | Previous GAAP | Adjustments | Ind AS |
|---|-------|-------------------|----------------|-------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| (a) Property, Plant and Equipment | 5 | 622,452 | - | 622,452 |
| (b) Other Intangible assets | 6 | 635,781 | - | 635,781 |
| (c) Intangible assets under development | 6 | 1,400,000 | - | 1,400,000 |
| (d) Other Financial Asset | 7 | 364,644 | - | 364,644 |
| (e) Deferred tax assets (Net) | 8 | 1,461,086 | 868,413 | 2,329,499 |
| (f) Other Non Current Assets | 9 | 799,885 | (765,533) | 34,352 |
| Current assets | | | | |
| (a) Financial Assets | | | | |
| (i) Trade receivables | 10 | 10,883,295 | - | 10,883,295 |
| (ii) Cash and bank balances | 11 | 940,112 | - | 940,112 |
| (iii) Bank balances other than (ii) above | 11 | 18,260,497 | - | 18,260,497 |
| (iv) Other Financial Assets | 7 | 865,413 | - | 865,413 |
| (b) Current Tax Assets (Net) | 16 | 3,750,383 | - | 3,750,383 |
| (c) Other current assets | 9 | - | - | - |
| Total Assets | | 39,983,548 | 102,880 | 40,086,428 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity Share capital | 12 | 15,700,000 | - | 15,700,000 |
| (b) Other Equity | 13 | 12,907,900 | 102,880 | 13,010,780 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| Borrowings | 14 | - | - | - |
| (b) Provisions | 15 | 889,598 | - | 889,598 |
| Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| Trade payables | | - | - | - |
| - Total outstanding dues of Micro, Small and Medium Enterprises | 17 | - | - | - |
| - Total outstanding dues of creditor's other than Micro, Small and Medium Enterprises | 17 | 6,918,045 | - | 6,918,045 |
| Borrowings | 14 | - | - | - |
| (b) Provisions | 15 | 85,259 | - | 85,259 |
| (c) Current tax liabilities(Net) | 16 | 3,482,746 | - | 3,482,746 |
| (d) Other current liabilities | 18 | - | - | - |
| Total Equity and Liability | | 39,983,548 | 102,880 | 40,086,428 |

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 4: First-time Adoption of Ind AS

Profit reconciliation for the year ended March 31, 2018

(Amount in Rs.)

| Particulars | Notes | Previous GAAP | Adjustments | Ind AS |
|---|-------|-------------------|--------------------|-------------------|
| Revenue from operations | 19 | 48,716,434 | - | 48,716,434 |
| Other Income | 20 | 1,048,201 | - | 1,048,201 |
| Total revenue | | 49,764,635 | - | 49,764,635 |
| Expenses | | | | |
| Employee benefits expenses | 21 | 26,479,115 | 7,233,852 | 33,712,967 |
| Finance costs | 22 | 86,275 | 7,529 | 93,804 |
| Depreciation, amortisation and impairment | 5&6 | 860,603 | - | 860,603 |
| Other expenses | 23 | 7,669,424 | - | 7,669,424 |
| Total expenses | | 35,095,417 | 7,241,381 | 42,336,798 |
| Profit before tax | | 14,669,218 | (7,241,381) | 7,427,837 |
| Tax Expense: | | | | |
| (1) Current tax | 32 | 2,981,216 | - | 2,981,216 |
| (2) Less: Minimum Alternate Tax (MAT) Credit | | (765,533) | 765,533 | - |
| (3) Deferred tax (credit) | 8 | (1,461,086) | (768,139) | (2,229,225) |
| (4) Earlier years adjustments | | 434,763 | - | 434,763 |
| Profit for the year | | 13,479,858 | (7,238,775) | 6,241,083 |
| Other Comprehensive Income | | | | |
| (i) Items that will not be classified to profit or loss | | | | |
| | | - | (373,430) | (373,430) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | 102,880 | 102,880 |
| Total | | - | (270,550) | (270,550) |
| Total comprehensive income for the year | | 13,479,858 | (7,509,325) | 5,970,533 |

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 4: First-time Adoption of Ind AS

Notes to the reconciliation of equity as at April 01, 2017 and March 31, 2018 and profit or loss for the year ended March 31, 2018

Deferred Tax

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.



Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No. 5: Property, Plant and Equipment

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|------------------------------|----------------------|----------------------|---------------------|
| Carrying Amounts of : | | | |
| Plant and Equipment | 2,506,653 | 612,512 | 310,812 |
| Office Equipment | 262,222 | - | 295,807 |
| Furniture and Fixtures | 197,876 | 9,940 | 704,067 |
| TOTAL | 2,966,751 | 622,452 | 1,310,686 |

(Amount in Rs.)

| Description of Assets | Plant and Equipment | Office Equipment | Furniture and Fixtures | Total |
|---|---------------------|------------------|------------------------|------------------|
| I. Gross Block | | | | |
| Balance as at April 1, 2018 | 1,082,024 | - | 22,850 | 1,104,874 |
| Additions | 2,595,803 | 313,086 | 211,736 | 3,120,625 |
| Disposals | - | - | - | - |
| Balance as at March 31, 2019 | 3,677,827 | 313,086 | 234,586 | 4,225,499 |
| II. Accumulated depreciation and impairment for the year 2018-2019 | | | | |
| Balance as at April 1, 2018 | 469,512 | - | 12,910 | 482,422 |
| Depreciation expense for the year | 701,662 | 50,864 | 23,800 | 776,326 |
| Eliminated on disposal of assets | - | - | - | - |
| Impairment losses recognised/ (reversed) in profit or loss | - | - | - | - |
| Balance as at March 31, 2019 | 1,171,174 | 50,864 | 36,710 | 1,258,748 |
| Net block (I-II) | | | | |
| Balance as on March 31, 2019 | 2,506,653 | 262,222 | 197,876 | 2,966,751 |
| Balance as on March 31, 2018 | 612,512 | - | 9,940 | 622,452 |

(Amount in Rs.)

| Description of Assets | Plant and Equipment | Office Equipment | Furniture and Fixtures | Total |
|---|---------------------|------------------|------------------------|------------------|
| I. Gross Block | | | | |
| Balance as at April 1, 2017 | 2,353,008 | 820,190 | 1,236,023 | 4,409,221 |
| Additions | 568,895 | - | - | 568,895 |
| Disposals | 1,839,879 | 820,190 | 1,213,173 | 3,873,242 |
| Balance as at March 31, 2018 | 1,082,024 | - | 22,850 | 1,104,874 |
| II. Accumulated depreciation and impairment for the year 2017-2018 | | | | |
| Balance as at April 1, 2017 | 2,042,196 | 524,383 | 531,956 | 3,098,535 |
| Depreciation expense for the year | 153,154 | 108,007 | 588,302 | 849,463 |
| Eliminated on disposal of assets | 1,725,838 | 632,390 | 1,107,348 | 3,465,576 |
| Impairment losses recognised/ (reversed) in profit or loss | - | - | - | - |
| Balance as at March 31, 2018 | 469,512 | - | 12,910 | 482,422 |
| Net block (I-II) | | | | |
| Balance as on March 31, 2018 | 612,512 | - | 9,940 | 622,452 |
| Balance as on March 31, 2017 | 310,812 | 295,807 | 704,067 | 1,310,686 |

Note:

Depreciation on Property, Plant and Equipment has been provided on the straight line method as per the Schedule II to the Companies Act, 2013. Refer Note 3.3 for Accounting Policy of Property, Plant and Equipment.



Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No. 6: Intangible Assets

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|-------------------------------------|----------------------|----------------------|---------------------|
| Carrying Amounts of: | | | |
| Computer Software | 1,381,099 | 635,781 | 48,896 |
| Intangible Assets under Development | 425,000 | 1,400,000 | - |
| TOTAL | 1,806,099 | 2,035,781 | 48,896 |

(Amount in Rs.)

| Description of Assets | Computer Software | Total |
|---|-------------------|------------------|
| I. Intangible Assets | | |
| Balance as at April 1, 2018 | 1,575,950 | 1,575,950 |
| Additions during the year | 975,000 | 975,000 |
| Disposals | - | - |
| Balance as at March 31, 2019 | 2,550,950 | 2,550,950 |
| II. Accumulated depreciation and impairment for the year 2018-2019 | | |
| Balance as at April 1, 2018 | 940,169 | 940,169 |
| Amortisation expense for the year | 229,682 | 229,682 |
| Eliminated on disposal of assets | - | - |
| Impairment losses recognised/ (reversed) in profit or loss | - | - |
| Balance as at March 31, 2019 | 1,169,851 | 1,169,851 |
| Net block (I-II) | | |
| Balance as on March 31, 2019 | 1,381,099 | 1,381,099 |
| Balance as on March 31, 2018 | 635,781 | 635,781 |

(Amount in Rs.)

| Description of Assets | Computer Software | Total |
|---|-------------------|------------------|
| I. Intangible Assets | | |
| Balance as at April 1, 2017 | 977,925 | 977,925 |
| Additions during the year | 598,025 | 598,025 |
| Disposals | - | - |
| Balance as at March 31, 2018 | 1,575,950 | 1,575,950 |
| II. Accumulated depreciation and impairment for the year 2017-2018 | | |
| Balance as at April 1, 2017 | 929,029 | 929,029 |
| Amortisation expense for the year | 11,140 | 11,140 |
| Eliminated on disposal of assets | - | - |
| Impairment losses recognised/ (reversed) in profit or loss | - | - |
| Balance as at March 31, 2018 | 940,169 | 940,169 |
| Net block (I-II) | | |
| Balance as on March 31, 2018 | 635,781 | 635,781 |
| Balance as on March 31, 2017 | 48,896 | 48,896 |

Note:

Amortisation on intangible asset has been provided on the straight line method over the useful life of asset (5 years). Refer Note 3.4 for Accounting Policy of Intangible assets.



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Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No. 7: Other Financial Assets

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|---|----------------------|----------------------|---------------------|
| Financial assets classified at amortised cost | | | |
| Non Current Asset | | | |
| Security Deposits (Refer Note 29) | | | |
| - Secured, considered good | 2,471,113 | 364,644 | 364,644 |
| - Unsecured, considered good | - | - | - |
| - Doubtful | - | - | - |
| Less : Allowance for bad and doubtful deposits | - | - | - |
| TOTAL | 2,471,113 | 364,644 | 364,644 |
| Current Asset | | | |
| (a) Security Deposits (Refer Note 29) | | | |
| - Secured, considered good | 30,000 | 125,000 | 225,000 |
| - Unsecured, considered good | - | - | - |
| - Doubtful | 100,000 | 100,000 | - |
| Less : Allowance for bad and doubtful deposits | (100,000) | (100,000) | - |
| Total (a) | 30,000 | 125,000 | 225,000 |
| (b) Loans to employees | | | |
| - Secured, considered good | - | - | - |
| - Unsecured, considered good | 32,428 | 24,128 | 60,892 |
| - Doubtful | - | - | - |
| Less : Allowance for bad and doubtful loans | - | - | - |
| Total (b) | 32,428 | 24,128 | 60,892 |
| (c) Receivable for Sale of Property, Plant and Equipment | | | |
| - Secured, considered good | - | - | - |
| - Unsecured, considered good | - | 263,580 | - |
| - Doubtful | 68,779 | - | - |
| Less : Allowance for bad and doubtful loans | (68,779) | - | - |
| Total (c) | - | 263,580 | - |
| (d) Interest accrued on Deposits | 748,347 | 452,705 | 29,339 |
| Total (d) | 748,347 | 452,705 | 29,339 |
| TOTAL (a+b+c+d) | 810,775 | 865,413 | 15,231 |

Note:

For the financial assets that are measured at amortised cost, the fair values are not materially different from their carrying amounts, since they are either of short term nature or interest receivable is close to current market rates.



Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No: 8 Deferred Tax balances

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at March 31, 2017 |
|--|----------------------|----------------------|----------------------|
| Deferred tax liabilities | - | - | 2,606 |
| Minimum Alternate Tax (MAT) Credit Entitlement | - | 765,533 | - |
| Deferred tax Assets | 1,316,988 | 1,563,966 | - |
| Deferred tax Assets(Net) | 1,316,988 | 2,329,499 | 2,606 |

(A) Movement of Deferred Tax

(Amount in Rs.)

| Particulars | For the Year ended March 31, 2019 | | | |
|---|-----------------------------------|-------------------------------|-------------------|------------------|
| | Opening Balance | Recognised In profit and Loss | Recognised In OCI | Closing Balance |
| <u>Tax effect of items constituting deferred tax asset/ (liability)</u> | | | | |
| Property, Plant and Equipment | 836,227 | (272,052) | - | 564,175 |
| Employee Benefits | 371,217 | 6,353 | (14,558) | 363,012 |
| Provision for doubtful debts | 356,522 | 33,279 | - | 389,801 |
| Net Tax Asset (Liabilities) | 1,563,966 | (232,420) | (14,558) | 1,316,988 |

(Amount in Rs.)

| Particulars | For the Year ended March 31, 2018 | | | |
|---|-----------------------------------|-------------------------------|-------------------|------------------|
| | Opening Balance | Recognised In profit and Loss | Recognised In OCI | Closing Balance |
| <u>Tax effect of items constituting deferred tax asset/ (liability)</u> | | | | |
| Borrowings | (2,606) | 2,606 | - | - |
| Property, Plant and Equipment | - | 836,227 | - | 836,227 |
| Employee Benefits | - | 268,337 | 102,880 | 371,217 |
| Provision for doubtful debts | - | 356,522 | - | 356,522 |
| Net Tax Asset (Liabilities) | (2,606) | 1,463,692 | 102,880 | 1,563,966 |

(Amount in Rs.)

| Particulars | For the Year ended April 1, 2017 | | | |
|---|----------------------------------|-------------------------------|-------------------|-----------------|
| | Opening Balance | Recognised In profit and Loss | Recognised In OCI | Closing Balance |
| <u>Tax effect of items constituting deferred tax asset/ (liability)</u> | | | | |
| Borrowings | - | (2606) | - | (2606) |
| Net Tax Asset (Liabilities) | - | (2,606) | - | (2606) |



Manappuram Insurance Brokers Limited

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

Note No. 9: Other Assets

(Amount In Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 01, 2017 |
|--|----------------------|----------------------|----------------------|
| Non Current | | | |
| (a) Others assets | | | |
| (i) Deposit with Income Tax Authority under protest (Refer Note 24) | 34,352 | 34,352 | - |
| TOTAL | 34,352 | 34,352 | - |
| Current | | | |
| (a) Prepaid Expenses | 778,422 | - | 188,770 |
| TOTAL | 778,422 | - | 188,770 |

Note No. 10: Trade receivables

(Amount In Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|--|----------------------|----------------------|---------------------|
| Trade receivables | | | |
| (a) Secured, considered good | 25,678,799 | 10,883,295 | 3,624,489 |
| (b) Unsecured, considered good | - | - | - |
| (c) Doubtful | 407,668 | 369,383 | - |
| Less: Allowance for Expected Credit Losses | (407,668) | (369,383) | - |
| TOTAL | 25,678,799 | 10,883,295 | 3,624,489 |

Notes:

1. Provision is made for all the trade receivables outstanding for more than 90 days.
2. Movement in the allowance for Expected Credit losses

(Amount In Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|----------------------|----------------------|
| Balance at beginning of the year | 369,383 | - |
| On receivables originated during the year | 38,285 | 369,383 |
| Amounts recovered during the year | - | - |
| Balance at end of the year | 407,668 | 369,383 |



Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No. 11: Cash and cash equivalents

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|---|----------------------|----------------------|---------------------|
| Current Cash and bank balances | | | |
| (i) Cash and cash equivalents | | | |
| Cash in hand | 4,808 | 11,657 | 2,400 |
| In current accounts | 198,661 | 928,455 | 77,094 |
| Term deposits (original maturity < 3 months) | 4,000,000 | - | - |
| | 4,203,469 | 940,112 | 79,494 |
| (ii) Other bank balances | | | |
| Term deposits | 40,654,853 | 16,500,000 | - |
| Deposit marked as lien with Insurance Regulatory and Development Authority (IRDA) | 1,869,212 | 1,760,497 | 1,655,161 |
| | 42,524,065 | 18,260,497 | 1,655,161 |
| Cash and cash equivalent as per balance sheet | 46,727,534 | 19,200,609 | 1,734,655 |
| Cash and cash equivalents as per statement of cash flows | 4,203,469 | 940,112 | 79,494 |

Note:

Of the above, the balances that does not meet the definition of Cash and cash equivalents as per Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows is Balances with banks - Other earmarked accounts includes Rs. 1,869,212 (Previous Year: Rs. 1,760,497) which have restriction on repatriation and other deposit accounts includes Rs. 40,654,853 (Previous Year: Rs. 16,500,000).

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Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No. 12: Equity Share Capital

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | | As at April 01, 2017 | |
|--|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| | No. of shares | Amount In Rs. | No. of shares | Amount In Rs. | No. of shares | Amount In Rs. |
| Authorised: Equity shares of Rs 10 each | 3,000,000 | 30,000,000 | 3,000,000 | 30,000,000 | 1,000,000 | 10,000,000 |
| Issued, Subscribed and Fully Paid: Equity shares of Rs 10 each | 1,570,000 | 15,700,000 | 1,570,000 | 15,700,000 | 770,000 | 7,700,000 |
| TOTAL | 1,570,000 | 15,700,000 | 1,570,000 | 15,700,000 | 770,000 | 7,700,000 |

(I) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

| Particulars | Year Ended March 31, 2019 | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|-----------------|---------------------------|---------------------------|---------------------------|
| Opening Balance | 1,570,000 | 770,000 | 770,000 |
| Fresh Issue | - | 800,000 | - |
| Closing Balance | 1,570,000 | 1,570,000 | 770,000 |

(II) Rights, preferences and restrictions attaching to equity shares :

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(III) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

| Particulars | Number of Shares | | |
|-----------------------------|---------------------------|---------------------------|---------------------------|
| | Year Ended March 31, 2019 | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
| Manappuram Finance Limited* | 1,570,000 | 1,570,000 | 770,000 |

* 6 equity shares (Previous year: 6 equity shares) are held by directors of the Company beneficiary being Manappuram Finance Limited.

(iv) Details of shares held by each shareholder holding more than 5% shares:

| Class of shares / Name of shareholder | As at March 31, 2019 | | As at March 31, 2018 | | As at April 01, 2017 | |
|---------------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Manappuram Finance Limited* | 1,570,000 | 100 | 1,570,000 | 100 | 770,000 | 100 |

* 6 equity shares (Previous year: 6 equity shares) are held by directors of the Company beneficiary being Manappuram Finance Limited.



Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No. 13: Other equity

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|--|----------------------|----------------------|---------------------|
| General reserve | 600,000 | 600,000 | 600,000 |
| Retained earnings | 37,087,901 | 2,809,620 | (3,160,913) |
| Employee Stock Option Reserve (ESOP Reserve) | 12,252,542 | 9,601,160 | 1,993,878 |
| TOTAL | 49,940,443 | 13,010,780 | (567,035) |

(i) General reserve

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|----------------------|----------------------|
| Opening balance | 600,000 | 600,000 |
| Balance as at the end of the year | 600,000 | 600,000 |

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the Statement of profit and loss.

(ii) Retained Earnings

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|----------------------|----------------------|
| Balance as at the beginning of the year | 2,809,620 | (3,160,913) |
| Add: Transfer from Surplus in Statement of Profit and Loss | 34,240,509 | 6,241,083 |
| Less: Other Comprehensive Income | 37,772 | (270,550) |
| Balance as at the end of the year | 37,087,901 | 2,809,620 |

(iii) Employee Stock Option Reserve (ESOP Reserve)

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|----------------------|----------------------|
| Opening balance | 9,601,160 | 1,993,878 |
| Add: Charge for the year | 2,651,382 | 7,607,282 |
| Balance as at the end of the year | 12,252,542 | 9,601,160 |



Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No. 14: Borrowings

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 01, 2017 |
|-----------------------------------|----------------------|----------------------|----------------------|
| Measured at amortised cost | | | |
| Non Current | | | |
| Secured Borrowings: | | | |
| Loan from related party | - | - | 372,490 |
| Current | | | |
| Secured Borrowings: | | | |
| Loan from related party | - | - | 744,981 |
| Total Borrowings | - | - | 1,117,471 |

Notes:

1. The Company has repaid the entire borrowings aggregating Rs. 11,17,471 outstanding as at March 31, 2017 during the year ended March 31, 2018
2. The loans and advances from related parties amounting Rs. 11,17,471 was secured by first charge on the receivables of the Company which has been released during the year ended March 31, 2018 upon repayment of entire borrowings.

Note No 15 : Provisions

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 01, 2017 |
|---------------------------------|----------------------|----------------------|----------------------|
| Non Current | | | |
| Provision for employee benefits | | | |
| Compensated absences | 259,388 | 253,066 | 101,000 |
| Gratuity | 640,567 | 636,532 | - |
| TOTAL (A) | 899,955 | 889,598 | 101,000 |
| Current | | | |
| Provision for employee benefits | | | |
| Compensated absences | 87,429 | 85,259 | 33,000 |
| Gratuity | - | - | - |
| TOTAL (B) | 87,429 | 85,259 | 33,000 |
| TOTAL (A+B) | 987,384 | 974,857 | 134,000 |

Note:

The provision for employee benefits includes gratuity and compensated absences. The increase/decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year. For other disclosures, Refer Note No. 27



Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No 16 : Current Tax Asset and Liability

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 01, 2017 |
|--|----------------------|----------------------|----------------------|
| Current Tax Liabilities (Net) | | | |
| Provision for taxation [Net of Advance tax: Rs 1,015,000 (P.Y. Nil)] | 1,176,877 | - | - |
| TOTAL | 1,176,877 | - | - |
| Current Tax Assets (Net) | | | |
| (a) Income taxes [Net of Provisions: Nil (Previous Year: Rs. 3,416,154)] | | | |
| Unsecured, considered good | 3,750,383 | 3,750,383 | 4,961,016 |
| Doubtful | 794,509 | 794,509 | 794,509 |
| Less: Provision for doubtful TDS Receivables | (794,509) | (794,509) | (794,509) |
| TOTAL | 3,750,383 | 3,750,383 | 4,961,016 |

Note No 17: Trade Payables

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|---|----------------------|----------------------|---------------------|
| Trade payable | | | |
| (i) total outstanding dues of micro enterprises and small enterprises (Refer Note 24) | - | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 11,218,209 | 6,918,045 | 3,628,252 |
| TOTAL | 11,218,209 | 6,918,045 | 3,628,252 |

Note No 18: Other Current Liabilities

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|---|----------------------|----------------------|---------------------|
| Statutory dues | | | |
| - Taxes payable (other than income taxes) | 7,318,303 | 3,482,746 | 533,093 |
| TOTAL | 7,318,303 | 3,482,746 | 533,093 |



Manappuram Insurance Brokers Limited

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

Note No 19: Revenue from Operations

(Amount in Rs.)

| Particulars | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Commission Income (includes Rewards and Recognition) | 111,377,030 | 48,716,434 |
| TOTAL | 111,377,030 | 48,716,434 |

Note No 20: Other Income

(Amount in Rs.)

| Particulars | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Net Gain on sale of property, plant and equipment | - | 165,246 |
| Interest on income tax refund | - | 243,489 |
| Interest income on financial assets at amortised cost- Fixed Deposits | 1,952,762 | 639,466 |
| Liabilities no longer required written back | 3,247 | - |
| TOTAL | 1,956,009 | 1,048,201 |



Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No 21: Employee Benefits Expense

(Amount in Rs.)

| Particulars | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Salaries and wages | 46,113,108 | 24,683,650 |
| Contribution to provident and other funds | 1,472,955 | 943,576 |
| Gratuity (Refer Note 27) | 637,011 | 432,604 |
| Staff welfare expenses | 93,270 | 45,855 |
| Employee Stock Option Expense (Refer Note 29) | 2,651,382 | 7,607,282 |
| TOTAL | 50,967,726 | 33,712,967 |

Note:

The Company has accounted Rs. 2,651,382 (Previous Year Rs. 7,607,282) for Employee Stock Option Scheme of the group wherein certain employees of the Company are granted the options by Manappuram Finance Limited, the Holding Company, under Employee Benefit expense for the year ended March 31, 2019. The cost has been determined basis the communication from the Holding Company.

Note No 22: Finance Cost

(Amount in Rs.)

| Particulars | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Interest expense on borrowing | - | 92,274 |
| Bank charges | 1,571 | 1,530 |
| TOTAL | 1,571 | 93,804 |

Note:

The weighted average capitalisation rate on funds borrowed is 14.24% pa in FY 2017-18. There are no borrowings in the current year.

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Manappuram Insurance Brokers Limited

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

Note No. 23: Other Expenses

(Amount in Rs.)

| Particulars | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Repairs and maintenance | 916,873 | 189,933 |
| Power & Fuel | 22,742 | 1,080 |
| Rent including lease rentals | 1,141,473 | 583,493 |
| Rates and taxes | 341,098 | 317,706 |
| Directors Commission | 400,000 | 300,000 |
| Communication Expenses | 334,336 | 125,195 |
| Printing and Stationary | 520 | 24,040 |
| Provision for Doubtful Debts | 107,064 | 499,581 |
| Licensing Fees | 215,000 | 114,234 |
| Sitting Fees Directors | 1,640,000 | 1,480,000 |
| Training Expenses | 582,004 | 302,792 |
| Payments to auditors (Refer Note below) | 1,321,147 | 1,269,115 |
| Legal and other professional costs | 1,155,850 | 525,307 |
| Travelling Expenses | 247,144 | 643,162 |
| IT Support Costs | 1,917,250 | 600,000 |
| Other Support Services | 641,553 | 14,564 |
| Certification charges | 202,652 | 10,000 |
| Internal Audit Fees | 550,000 | 450,000 |
| Insurance Premium Paid | 448,516 | - |
| Annual Maintenance Charges | 225,550 | - |
| Miscellaneous Expenses | 508,033 | 219,222 |
| TOTAL | 12,918,805 | 7,669,424 |

Note:

Payments to the auditors comprise (net of service tax/GST input credit, where applicable):

(Amount in Rs.)

| Particulars | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|-------------------------------|--------------------------------------|--------------------------------------|
| To statutory auditors: | | |
| For audit | 632,500 | 575,000 |
| For taxation matters | 82,500 | 75,000 |
| For other services | 530,000 | 540,000 |
| Reimbursement of expenses | 76,147 | 79,115 |
| TOTAL | 1,321,147 | 1,269,115 |



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 24

There are no micro and small enterprises to whom the company owes dues which are outstanding as at the balance sheet date. The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the statutory auditors.

Note No. 25 - Contingent liabilities and commitments

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|------------------------------------|-------------------------|-------------------------|------------------------|
| Income tax demand for AY 2012 - 13 | 229,010 | 229,010 | 229,010 |
| Total | 229,010 | 229,010 | 229,010 |

The Company has pending litigation arising out of matter relating to Income-tax and the Company has preferred an appeal against the same. During the year ended March 31, 2018, the company has paid Rs. 34,352 as deposit under protest.

Note No. 26 - Foreign currency transactions

During the year ended March 31, 2019, the Company does not have any earnings or expenditure in foreign currency. As at the balance sheet date there are no foreign currency outstanding that are hedged by any derivative instruments or otherwise.

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Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 27 - Employee benefits

Employee benefits include provident fund, gratuity fund and compensated absences.

(a) Defined Contribution Plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has recognized Rs. 12,77,502 (Previous Year: Rs.7,42,639) for Provident Fund contributions and Rs. 1,95,453 (Previous Year: Rs. 2,00,937) for Employee State Insurance Scheme contributions, included as a part of contribution to provident fund and other funds in Note 21 Employee Benefit Expenses.

(b) Defined Benefit Plans:

Gratuity:

The Company operates a gratuity plan covering qualifying employees. The plan provides for lump sum payment to vested employees at retirement, death, disability or on termination of the employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. The benefit vests upon completion of five years of continuous service except in case of death and disability and once vested it is payable to employees on retirement or on termination of employment. In case of death or disability, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially off set by an increase in the plan's assets.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The Present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 27 - Employee benefits

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

| Particulars | Valuation as at | | |
|--|-----------------|----------------|---------------|
| | March 31, 2019 | March 31, 2018 | April 1, 2017 |
| Discount rate | 6.90% | 7.10% | 6.60% |
| Salary increase rate | 8.00% | 8.00% | 8.00% |
| Expected Return on Plan Assets | 7.10% | 6.60% | 8.00% |
| Withdrawal (rate of employee turnover) | 20.00% | 20.00% | 20.00% |

Amount recognised in Statement of Profit and Loss in respect of these defined benefit plans are as follows:

(Amount in Rs.)

| Particulars | Funded Plan | |
|---|------------------------------|------------------------------|
| | Gratuity | |
| | Year ended March 31, 2019 | Year ended March 31, 2018 |
| Service Cost: | | |
| Current Service Cost | 618,177 | 385,283 |
| Past Service Cost | - | 53,227 |
| Net interest expense | 18,834 | (5,906) |
| Expense recognised in Statement of Profit and Loss | 637,011 | 432,604 |
| Remeasurement on the net defined benefit liability and Plan Assets: | | |
| Return on plan assets (excluding amount included in net interest expense) | (35,312) | 7,480 |
| Actuarial gains and loss arising from changes in financial assumptions | (27,097) | 54,300 |
| Actuarial gains and loss arising from experience adjustments | 114,739 | (435,210) |
| Movement in Other Comprehensive Income | 52,330 | (373,430) |
| TOTAL | 689,341 | 59,174 |

The current service cost and the net interest expenses for the year are included in the Employee benefits expense line item in the Statement of Profit and Loss. The remeasurement of the net defined benefit liability/asset is included in Other Comprehensive Income.

(Amount in Rs.)

| Particulars | As at | As at | As at |
|--|----------------|----------------|------------------|
| | March 31, 2019 | March 31, 2018 | April 1, 2017 |
| Present value of funded defined benefit obligations | 3,020,585 | 2,382,210 | 1,607,000 |
| Fair value of plan assets | 2,380,018 | 1,745,678 | 1,716,000 |
| Net liability arising from defined benefit obligation | 640,567 | 636,532 | (109,000) |



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 27 - Employee benefits

Movements in the present value of the defined benefit obligation are as follows:

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|-------------------------|-------------------------|
| Opening defined benefit obligation | 2,382,210 | 1,607,000 |
| - Current service cost | 618,177 | 385,283 |
| - Past service cost | - | 53,227 |
| - Interest cost | 169,137 | 106,026 |
| <i>Remeasurement gains / (losses):</i> | | |
| - Actuarial Gain (Loss) arising from: | | |
| i. Financial Assumptions | 27,097 | (54,300) |
| ii. Experience Adjustments | (114,739) | 435,210 |
| Benefit payments | (61,297) | (150,236) |
| Closing defined benefit obligation | 3,020,585 | 2,382,210 |

Movements in the fair value of the plan assets are as follows:

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Opening fair value of the plan assets | 1,745,678 | 1,716,000 |
| Interest income | 150,303 | 111,932 |
| <i>Remeasurement gains / (losses):</i> | | |
| - Actuarial (Loss)/Gain from changes in financial assumptions | - | - |
| - Return on plan assets (excluding amounts included in net interest expense) | (35,312) | 7,480 |
| Contributions from the employer | 580,646 | 60,502 |
| Benefit payments | (61,297) | (150,236) |
| Closing fair value of plan assets | 2,380,018 | 1,745,678 |

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented may not representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using "Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in Balance Sheet.

The estimate of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

Description of ALM Policy

The Company deploys its investment assets in a smoothed return cash accumulation plan with an insurance company. Investment returns of the plan are not greatly sensitive to the changes in interest rates. The liabilities' duration is not matched by the assets' duration



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 27 - Employee benefits

Description of funding arrangements and funding policy that affect future contributions

The liabilities of the Company are funded by assets. The company generally aims to maintain a fullfunding position at each Balance Sheet date. Future expected contributions are disclosed based on this principle so that the funding gap would continue to be low. As on March 31, 2019 (March 31, 2018), the Company's expected contribution for next year will be Rs 500,000 (Rs 500,000).

The sensitivity analysis of significant actuarial assumption as at the end of reporting period is shown below:

Financial assumptions sensitivity analysis

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|--|--|
| Discount rate | | |
| Discount rate - 100 basis points Assumptions | DBO increases by 153,660 5.90% p.a. | DBO increases by 116,090 6.10% p.a. |
| Discount rate + 100 basis points Assumptions | DBO decreases by 141,459 7.90% p.a. | DBO decreases by 106,989 8.10% p.a. |
| Salary increase rate | | |
| Discount rate - 100 basis points Assumptions | DBO decreases by 141,332 7.00% p.a. | DBO decreases by 107,085 7.00% p.a. |
| Discount rate + 100 basis points Assumptions | DBO increases by 150,576 9.00% p.a. | DBO increases by 113,982 9.00% p.a. |
| Withdrawal increase rate | | |
| Discount rate - 100 basis points Assumptions | DBO Increases by 32,562 19.00% p.a. | DBO Increases by 16,214 19.00% p.a. |
| Discount rate + 100 basis points Assumptions | DBO decreases by 31,403 21.00% p.a. | DBO decreases by 15,580 21.00% p.a. |

Plan Assets

The plan assets are managed by is entrusted with the Life Insurance Corporations of India ("LIC"). The fair value of the plan assets at the end of the reporting period for each category, are as follow:

| | As at March 31, 2019 | As at March 31, 2018 | (Amount in Rs.) As at April 1, 2017 |
|----------------------------|-------------------------|-------------------------|---|
| Others - LIC managed fund* | 2,380,018 | 1,745,678 | 1,716,000 |

*The details of investment made by the Insurer is not readily available with the Company

Maturity profile

The weighted average expected remaining lifetime of the plan members is 4 years (Previous Year: 4 years) as at the date of valuation. This represents the weighted average of the expected remaining lifetime of all plan participants.



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 28 - Segment Reporting

The Company is in the business of Insurance Broking in India, which in the context of Ind AS 108 'Operating Segments' constitutes a single reportable business segment.

Note No. 29: Related Party Disclosures

| Relationship | Name of the party |
|--|---|
| (i) Holding Company | Manappuram Finance Limited |
| (ii) Key Management Personnel (KMP) | Mr. V.P. Nandakumar (Chairman) Mr. K. M. Rajesh (Principal Officer) w.e.f February 01, 2017 upto October 30, 2017 Mr. Sai Kamalakar (Chief Executive Officer and Principal officer) w.e.f October 31, 2017 |
| (iii) Relatives of KMP | Mrs. Sumitha Jayasankar Mrs. Sushma Nandkumar Ms. Shelly Eklavyan |
| (iv) Entities in which KMP / Relatives of KMP can exercise significant influence | Manappuram Chits (India) Limited Manappuram Chits India Manappuram Comptech and Consultants Limited Manappuram Constructions and Properties Private Limited Manappuram Jewellers Limited Maben Nidhi Limited Manappuram Asset Finance Limited Manappuram Chits Fund Company Private Limited Manappuram Chits Fund Company (Karnataka) Private Limited Manappuram Health Care Limited Manappuram Agro Farm Limited Manappuram Foundation (Charitable Trust) Manappuram Travels |



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 29: Related Party Disclosures

Related Party transactions during the year:

| | | | | (Amount in Rs.) | |
|---|--|-----------------|----------------------|-----------------|--|
| Nature of Transaction | Relationship | March 31, 2019 | March 31, 2018 | | |
| Income/Expenses: | | | | | |
| (i) Fees for technical and consultancy services Manappuram Comptech and Consultants Limited | Entities in which KMP / relatives of KMP can exercise significant influence | 450,000 | 600,000 | | |
| (ii) Legal and Professional charges Manappuram Comptech and Consultants Limited | Entities in which KMP / relatives of KMP can exercise significant influence | 900,000 | 300,000 | | |
| (iii) Rent expenses Manappuram Finance Limited | Holding Company | 1,141,473 | 351,578 | | |
| (iv) Finance Costs Manappuram Finance Limited | Holding Company | - | 84,745 | | |
| (v) Managerial Remuneration (Refer Note below) Mr. K M Rajesh Mr. Sai Kamalakar | Key Managerial Personnel Key Managerial Personnel | - 10,708,009 | 697,294 5,490,360 | | |
| (vi) Repairs and maintenance Manappuram Finance Limited | Holding Company | 357,704 | - | | |
| (vii) Employee Stock Option (Refer Note 21) Mr. Sai Kamalakar Mr. K M Rajesh | Key Managerial Personnel Key Managerial Personnel | 1,551,347 - | 4,451,087 890,217 | | |
| Assets/Liabilities: | | | | | |
| (i) Repayment of Borrowings Manappuram Finance Limited | Holding Company | - | 1,125,000 | | |
| (ii) Loans and Advances Payment of Security deposits | Holding Company | 1,034,622 | - | | |
| (iii) Fixed Assets Sold Manappuram Finance Limited (Refer Note below) Manappuram Comptech and Consultants Limited | Holding Company Entities in which KMP / relatives of KMP can exercise significant influence | - - | 263,580 149,493 | | |

Balances outstanding at the end of the year:

| | | | | (Amount in Rs.) | | |
|--|---|------------------|------------------|------------------|--|--|
| Particulars | Relationship | March 31, 2019 | March 31, 2018 | April 1, 2017 | | |
| Security deposits | | | | | | |
| Manappuram Finance Limited | Holding Company | 1,034,622 | 34,644 | 34,644 | | |
| Manappuram Comptech and Consultants Limited | Entities in which KMP / relatives of KMP can exercise significant influence | 100,000 | 100,000 | 100,000 | | |
| Trade payables | | | | | | |
| Manappuram Comptech and Consultants Limited | Entities in which KMP / relatives of KMP can exercise significant influence | - | - | - | | |
| Mr. K.M. Rajesh | Key Managerial Personnel | - | - | 420,000 | | |
| Mr. Sai Kamalakar | Key Managerial Personnel | - | 890,217 | 28,250 | | |
| Receivables for sale of Property, Plant and Equipment | | | | | | |
| Manappuram Finance Limited | Holding Company | - | 263,580 | - | | |
| Borrowings | | | | | | |
| Manappuram Finance Limited | Holding Company | - | - | 1,125,000 | | |
| TOTAL | | 6,497,343 | 5,739,528 | 1,707,894 | | |

Notes:

- In respect of the outstanding balances recoverable as at the previous year end, a provision for doubtful debt has been created of Rs. 68,779 (Previous Year) for receivable for sale of Property, Plant and Equipment from Manappuram Finance Limited. Balance amount has been received during the year.
- During the year, there were no amounts written off and written back from the related parties.
- Excludes the accrual of gratuity and compensated leaves as it is accrued for the company as a whole.
- During the year under review, all the transactions of the Company with related parties were in the ordinary course of business and at an arm's length.



Manappuram Insurance Brokers Limited
Notes to the financial statements for the year ended March 31, 2019

Note No. 30 - Lease arrangements

Operating lease arrangements:

The Company has procured office under non-cancellable operating leases. Lease rent charged to the Statement of Profit and Loss during the year is Rs. 1,141,473 (Previous Year Rs.583,493)

| Particulars | (Amount in Rs.) | | |
|---|------------------------|------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 | As at 01 April 2017 |
| Future minimum lease payments | | | |
| Not later than one year | 2,241,487 | 440,582 | 465,424 |
| Later than one year and not later than five years | 7,713,639 | 545,195 | 969,433 |
| Later than five years | 11,618,123 | - | - |
| Total | 21,573,249 | 985,777 | 1,434,857 |

Notes:

1. The Company has given refundable interest free security deposits under the agreements.
2. Most of the agreements contain provision for renewal subject to renewal period not exceeding 10 years.
3. Either party can terminate the agreement by giving prior notice in writing.
4. All agreements provide for restriction on sub-lease.

Note No. 31: Earnings per share

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|-----------------------------|-----------------------------|
| Net profit for calculation of basic and diluted Earnings Per Share | 34,240,509 | 6,241,083 |
| Weighted average number of equity shares in calculating basic and diluted Earnings Per Share (Nos.) | 1,570,000 | 1,570,000 |
| Basic Earnings Per Share (Rs.) | 21.81 | 3.98 |
| Diluted Earnings Per Share (Rs.) | 21.81 | 3.98 |



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 32 - Current Tax and Deferred Tax

(Amount in Rs.)

| | | Year ended 31st March 2019 | Year ended 31st March 2018 |
|------------|---|-------------------------------|-------------------------------|
| 32A | Tax expense recognised in the Statement of Profit and Loss | | |
| | Current tax | | |
| | In respect of current year | 13,200,467 | 2,981,216 |
| | In respect of prior years | - | 434,763 |
| | Total current tax | 13,200,467 | 3,415,979 |
| | Deferred tax | | |
| | In respect of current year | 997,953 | 2,229,225 |
| | Total deferred income tax (credit) / expense | 997,953 | 2,229,225 |
| | Sub- Total (A) | 14,198,420 | 1,186,754 |
| 32B | Income tax recognised in other comprehensive income | | |
| | Deferred Tax | | |
| | Re-measurement of defined benefit obligation | 14,558 | 102,880 |
| | Sub- Total (B) | 14,558 | 102,880 |
| | TOTAL | 14,212,978 | 1,289,634 |

The income tax expense for the year can be reconciled to the accounting profit as follows:

(Amount in Rs.)

| | Year ended 31st March 2019 | Year ended 31st March 2018 |
|---|-------------------------------|-------------------------------|
| Profit before tax | 48,438,929 | 7,427,836 |
| Income tax expenses calculated at 27.82% (previous year 27.55%) | 13,475,710 | 2,046,369 |
| Differences due to: | | |
| Expenses not deductible for tax purposes | 737,268 | 2,137,131 |
| Effect of prior period deferred tax adjustments | - | (1,127,034) |
| Tax Effect of losses on which no deferred tax benefit is recognised | - | (2,201,595) |
| Effect of prior period adjustments | - | 434,763 |
| TOTAL | 14,212,978 | 1,289,634 |



Manappuram Insurance Brokers Limited
Notes to Financial Statements for the year ended March 31, 2019

Note No. 33 - Risk management

33A Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the returns to stakeholders. The company has no borrowings during the year. Also, the company maintains the capital as required under Regulation 19 of IRDAI (Insurance Brokers) Regulations, 2018. As per the regulation the company needs to maintain minimum paid up capital of Rs. 75 lakhs. Further, the company has to maintain its net worth as per the requirement of Regulation 22 of IRDAI (Insurance Brokers) Regulations, 2018 which has to be maintained at 50 lakhs.

| Particulars | Amount |
|--------------------------------------|-------------------|
| Share capital | 15,700,000 |
| Reserves and Surplus | 49,940,443 |
| Total Net Worth | 65,640,443 |
| Minimum net worth requirement | 5,000,000 |

33B Financial instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income & expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are as disclosed in Note No. 3 to financial statements.

(Amount in Rs.)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 01, 2017 |
|-----------------------------------|----------------------|----------------------|----------------------|
| Financial Assets | | | |
| Measured at amortised cost | | | |
| Cash and cash equivalents | 4,203,469 | 940,112 | 79,494 |
| Trade receivable | 25,678,799 | 10,883,295 | 3,624,489 |
| Security Deposits | 2,501,113 | 489,644 | 589,644 |
| Fixed Deposit with Banks | 42,524,065 | 18,260,497 | 1,655,161 |
| Others | 780,775 | 740,413 | 90,231 |
| Financial Liabilities | | | |
| Measured at amortised cost | | | |
| Trade payable | 11,218,209 | 6,918,045 | 3,628,252 |
| Employee Benefits payable | 987,384 | 974,857 | 134,000 |
| Borrowings | - | - | 1,117,471 |

The management considers that the carrying amount of financials assets and financial liabilities recognised in the financial statement approximate their fair values.

W



Manappuram Insurance Brokers Limited

Notes to Financial Statements for the year ended March 31, 2019

Note No. 34

Please refer Annexure A, Annexure B and Annexure C for the disclosures required as per the Regulations 34 (6) of the Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018.

Note No. 35: Recent accounting pronouncements - Standards issued but not yet effective:

On March 30, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Ind AS 116 on Leases. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently for operating lease, rentals are charged to the statement of profit and loss. The Company is currently evaluating the implication of Ind AS 116 on the financial statements.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019:

1. Ind AS 12 – Income taxes – Appendix C on uncertainty over income tax treatments
2. Ind AS 19 – Employee benefits

The company is in the process of evaluating the impact of such amendments.

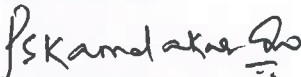
Note No. 36: Previous year regrouping

Previous year's figures have been regrouped wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors

RVP



V.P. Nandakumar
(Chairman)
DIN : 00044512


Sal Kamalakar
(CEO & Principal Officer)


Anjurose Paulson
(Company Secretary)



Jyothi Prasannan
(Director)
DIN : 00044371


Shanto Paul
(Chief Financial Officer)



Valapad,
Date: May 8, 2019



Annexure - A

Insurance Company wise Brokerage/ Remuneration and Reward Income received during April 01, 2018 to March 31, 2019

(Amount in Rs.)

| Sr. No. | Name of the Insurer | As at March 31, 2019 | As at March 31, 2018 |
|---------|--|----------------------|----------------------|
| 1 | Aditya Birla Health Insurance Company Limited | 27,929 | - |
| 2 | Aviva Life Insurance Company India Limited | - | 3,712 |
| 3 | Bajaj Life Insurance Company Limited | 178,932 | 124,363 |
| 4 | Bajaj Allianz General Insurance Company Limited | - | 341 |
| 5 | Bharti Axa General Insurance Company Limited | 491,338 | - |
| 6 | Bharti Axa Life Insurance Company Limited | 1,098 | 1,115 |
| 7 | Birla Sun Life Insurance Company Limited | 2,503,954 | 1,052,294 |
| 8 | Cholamandalam MS General Insurance Company Limited | 5,319 | 42,166 |
| 9 | Cigna TTK General Insurance Company Limited | 2,071,883 | 162,989 |
| 10 | DHFL Pramerica Life Insurance Company Limited | 26,669,779 | 1,214,056 |
| 11 | Exide Life Insurance Company Limited | 11,466,169 | 9,141,860 |
| 12 | HDFC Standard Life Insurance Company Limited | 1,598,863 | 646,390 |
| 13 | IDBI Federal Life Insurance Company Limited | - | 1,050 |
| 14 | ICI Lombard General Insurance Company Limited | 1,048,055 | - |
| 15 | ICI Prudential Life Insurance Company Limited | 25,497,023 | 353,599 |
| 16 | IFFCO Tokio General Insurance Company Limited | 48,499 | - |
| 17 | Kotak Life Insurance Company Limited | 325,830 | 236,996 |
| 18 | Liberty Videocon Insurance Company Limited | 14,121,963 | 10,136,488 |
| 19 | Life Insurance Corporation of India Limited | 307,467 | 950,876 |
| 20 | Magma HDI General Insurance Company Limited | 428,092 | - |
| 21 | National Insurance Company Limited | 66,974 | 78,764 |
| 22 | New India Assurance Company Limited | 1,198,693 | 429,827 |
| 23 | Oriental Insurance Company Limited | 54,393 | 104,453 |
| 24 | Reliance General Insurance Company Limited | 5,517,207 | 6,035,203 |
| 25 | Reliance Life Insurance Company Limited | 276,117 | 1,388,602 |
| 26 | Religare Health Insurance Company Limited | 29,431 | 43,901 |
| 27 | Royal Sundaram General Insurance Company Limited | 1,834 | 16,467 |
| 28 | Shriram General Insurance Company Limited | 612,211 | 286,831 |
| 29 | Shriram Life Insurance Company Limited | 14,520,798 | 14,912,358 |
| 30 | Star Health Insurance Company Limited | 731,826 | 28,330 |
| 31 | United India Insurance Company Limited | 1,575,354 | 1,323,403 |
| | TOTAL | 111,377,030 | 48,716,434 |



Annexure - B

During the year there were no payments received from Insurers Group Companies

Note:

The group companies of Insurers considered for the Annexure are based on the confirmations circulated by the Company and the declarations received from them. As per the records of the Company, Rs. NIL (P.Y. 2017-18 Rs. NIL) has been received from any group Companies of Insurers. This has been relied upon by the auditors.

Annexure - C

Details of payments received by the group companies/ associates/ related parties of the Insurance broker from Insurers

| Sr. No. | Name of the Group company/ associate/ related party | Nature of Payment | Name of the Insurer from which the payment has received | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---------|---|---|---|-----------------------------------|-----------------------------------|
| 1 | Manappuram Agro Farms Limited | Claim | United India Insurance Company Limited | 44,000 | 90,000 |
| 2 | Manappuram Asset Finance Limited | Claim | The New India Assurance Company Limited | 300,500 | - |
| 3 | Manappuram Foundation | Claim | United India Insurance Company Limited | 44,847 | 3,379,223 |
| | | Claim | The New India Assurance Company Limited | - | 1,700,000 |
| 4 | Manappuram Health Care Limited | Reimbursement of Health care expenses | Reliance General Insurance Company Limited | - | 31,100 |
| 5 | Manappuram Constructions and Properties Private Limited | Medical Reimbursement | United India Insurance Company Limited | - | 6,176 |
| 6 | Manappuram Travels | Claim | Liberty General Insurance Limited | - | 1,756,400 |
| 7 | Manappuram Jewellers Limited | Claim | Oriental Insurance Company Limited | 6,711,920 | 57,985 |
| | | | United India Insurance Company Limited | - | 148,316 |
| 8 | Asirvad Micro Finance Limited | Claim | Bajaj Allianz Life Insurance Company Limited | 105,100,000 | 39,137,944 |
| | | Claim | Bharti AXA General Insurance Company Limited | 2,000,000 | - |
| | | Claim | DHFL Pramerica Life Insurance Company Limited | 70,647,500 | 17,372,493 |
| | | Claim | Future General Insurance Company Limited | 830,000 | - |
| | | Claim | ICICI Pru Life Insurance Company Limited | 927,500 | - |
| | | Claim | Kotak Life Insurance Company Limited | 500,000 | - |
| | | Claim | Life Insurance Co Ltd | 1,935,000 | 3,927,177 |
| | | Claim | Star Health Insurance Company Limited | 1,551,180 | 612,737 |
| | | Claim | United India Insurance Company Limited | 98,305 | 1,288,750 |
| 9 | Manappuram Finance Limited | Claim | HDFC Ergo General Insurance Company Limited | 65,945,670 | 81,242,790 |
| | | Claim | United India Insurance Company Limited | - | 221,625 |
| | | Claim | Oriental Insurance Company Limited | 6,627,091 | - |
| 10 | Manappuram Home Finance Limited | Claim | ICICI Lombard General Insurance Company Limited | 8,637 | - |
| | | Claim | Birla Sunlife Insurance Company Limited | 12,469,322 | 6,678,907 |
| 11 | Mr. V.P. Nandakumar | Refund on Property Insurance | SBI General Insurance Company Limited | - | 53,738 |
| | | Refund Amount received on Lapsed Insurance Policy | Life Insurance Corporation of India | - | 40,802 |
| 12 | Mr. Vijayakumar Menon | Annuity Plan | ICICI Prudential Life Insurance Company Limited | - | 9,500 |
| 13 | Mr. M.N. Gunavardhanan | Annuity Plan | Life Insurance Corporation of India | - | 16,572 |
| 14 | Adv. Ramachandran | Motor accident claim amount | Reliance General Insurance Company Limited | - | 234,710 |

Notes:

1. The Details in Annexure C consisting of the payments received by the group companies, associate companies, related party(ies) (as applicable) of the Insurance Broker/Company has been traced and agreed with the confirmations obtained by the Management of the Company from the group companies, associate companies, related party(ies) (as applicable) for the year ended March 31, 2019. This has been relied upon by the auditors.

2. As per Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, "Group" means: two or more individuals, association of individuals, firms, trusts, trustees or bodies corporate, or any combination thereof, which exercises, or is established to be in a position to exercise, significant influence and / or control, directly or indirectly, over any associate as defined in Indian Accounting Standard (Ind AS), body corporate, firm or trust, or use of common brand names, Associated persons, as may be stipulated by the Authority, from time to time, by Issuance of guidelines under these regulations

Explanation: Use of common brand names in conjunction with other parameters of significant influence and / or control, whether direct or indirect shall be reckoned for determination for inclusion as forming part of the group or otherwise.

