MAHINDRA INSURANCE BROKERS LIMITED

Directors' Report to the Shareholders

Your Directors have pleasure in presenting the 34th Annual Report along with the Audited Accounts of your Company for the year ended March 31, 2021.

1. Financial Results

(Amount in Rs. Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income	26,855.66	33,688.88
Profit before Interest, Depreciation and Taxation	5,266.10	8,283.95
Depreciation	867.82	893.79
Profit before Taxation	4,398.29	7,390.16
Provision for Taxation:		
Provision for Current Tax	1,322.00	2,059.00
Provision for Deferred Tax	(126.42)	(5.03)
Excess provisions of earlier years written back	0	0
Provision for Taxation	1,195.58	2,053.97
Profit after Taxation	3,202.71	5,336.19
Other Comprehensive Income	33.42	(222.21)
Total Comprehensive Income for the period	3,236.12	5,113.98
Balance of Retained Earnings for prior years	38,403.43	33,999.36
Amount available for appropriation	3,202.71	5,336.19
Appropriations:		
Issue of Bonus Shares	0	0
Dividend on Equity Shares (paid)	0	773.20
Tax on Dividend (paid)	0	158.93
Surplus Retained Earnings carried to Balance Sheet	41,606.14	38,403.42

2. Dividend

In light of the extra-ordinary situation caused by the COVID-19 pandemic and resultant intermittent lock-downs and their impact on the business, it is felt prudent that the Company should conserve its cash resources. Your Directors, therefore, recommend a token dividend of Rs. 3 per Equity Share of Rs. 10 each on 1,03,09,280 Equity Shares of Rs. 10 each aggregating to Rs. 309.3 lakhs. The above dividend, if approved, will be paid to those Members whose names appear in the Register of Members as on the Record Date fixed for this purpose.

3. Operational Performance

The market demand at the start of the financial year remained sluggish, continuing the trends from the last quarter of financial year ended March 31, 2020. The effect of the Covid started being felt right at the beginning of first quarter of financial year ended March 31, 2021, when many of the countries went into lockdown to counter the spread of the virus. The first and second quarters of current financial year saw the impact of Covid induced downturn on the Company's operations. At the same time, the third and fourth quarter have seen a sharp recovery. To counter the pandemic driven downturn, the company initiated a program for cost reduction and cash protection. Post the easing of lockdown restrictions, the focus was on continuing operations in a safe and sustainable manner. The reopening of offices across India post lockdown was done in a manner that provides a safe working environment for the workforce. All safety protocols mandated by local authorities at the locations were followed. A much better than expected recovery in the second half of the financial year was more than welcomed by the entire team.

During the year, the Company focused on improving manpower productivity and efficiency through automation projects. Diversifying the customer base has also received sharper focus. Though some of the planned investments in some of the business divisions were delayed, there is no change in the long term strategy of the Company. Organisational improvements and new management structures were also introduced in certain business divisions to effectively sharpen management bandwidth and focus.

4. Reserves

No amount is proposed to be transferred to General Reserve and an amount of Rs. 41606.1 lakhs is proposed to be retained in the statement of Profit and Loss.

5. Operations

The year ended March 31, 2021 marked the 17th year of successful insurance broking operations of your Company. In this journey of 17 years, your Company has been able to serve over 16 million insurance cases, largely in the rural and semi-urban markets in India. Your Company has been able to reach the benefit of insurance to over 3,00,000 villages across India. Your Company endeavors to further increase insurance penetration in rural India as well as become a significant player in global insurance markets.

During the year under review, your Company serviced approximately 1.43 million insurance cases, with a total of 14,39,023 cases for both Life and Non-Life Retail business. The customized Life insurance cover "Mahindra Loan Suraksha" (MLS) decreased from 6,84,186 lives covered with a Sum Assured of Rs. 25,39,072 lakhs in the Financial Year 2019-20 to 3,49,529 lives covered with a Sum Assured of Rs. 14,33,270 lakhs in the Financial Year 2020-21. A substantial portion of MLS continues to be covered in the rural markets.

There is de-growth of 14% in Gross Premium facilitated for the Corporate and Retail business lines, increasing from Rs. 2,43,189.1 lakhs in the Financial Year 2019-20 to Rs. 2,10,106.1 lakhs in the Financial Year 2020-21. The Total Income decreased by 20% from Rs. 33,688.9 lakhs in the Financial Year 2019-20 to Rs. 26,855.7 lakhs in the Financial Year 2020-21. The Profit before Tax decreased by 40% from Rs. 7,390.2 lakhs to Rs. 4,398.3 lakhs, and the Profit after Tax decreased by 40% from Rs. 5,336.2 lakhs to Rs. 3,202.7 lakhs during the same period. The Networth increased by 8% from Rs. 42,268.2 lakhs in the Financial Year 2019-20 to Rs. 45,504.4 lakhs in the Financial Year 2020-21.

The drop-in revenue and profits is mainly due to the impact caused by the Covid-19 pandemic. There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

6. Achievements

The Company participated in Great Place to Work-Certified™ conducted in India by Great Place to Work Institute and was awarded Rank 10 Great Companies to Work for in India on June 19, 2020.

7. Share Capital

During the year under review, the Company has neither issued shares with differential voting rights as to dividend, voting or otherwise, nor has issued any sweat equity. The Company has not formulated any Employees Stock Option Scheme during the year under review. There were no Shares having voting rights not exercised directly by the employees and for the purchase of which or subscription to which, loan was given by the Company.

The Authorised Share Capital of the Company was Rs. 15,00,00,000 on March 31, 2021. The issued, subscribed and paid-up Equity Share Capital as on March 31, 20201 was Rs. 10,30,92,800, comprising of 1,03,09,280 Equity Shares of the face value of Rs. 10 each fully paid-up.

As on March 31, 2021, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

8. Directors

The composition of the Board of Directors of your Company is in conformity with the provisions of the Companies Act, 2013, as amended from time to time. As on March 31, 2021, the Company has 8 (eight) directors of which 1(one) Director is a Nominee of the Investor, 5 (five) are Non-Executive Non-Independent Directors and 2 (two) are Independent Directors. The profiles of the Directors can be viewed at https://www.mahindrainsurance.com/Board.aspx

The Board reviews and approves strategy and oversees the actions and results of the management to ensure that the long term objectives of the enhancing stakeholders' value are met. The Board periodically reviews the compliance reports of all laws applicable to the Company. None of the Board of Directors holds directorships in more than 10 public companies. None of the directors are related to each other. Mr. Hemant Sikka (DIN: 00922281) retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for re-appointment. Mr. Jyotin Mehta (DIN: 00033518) and Ms. Anjali Raina (DIN: 02327927) were appointed as Independent Directors of the Company for a period of 5 (five) years with effect from March 30, 2020. These Independent Directors shall hold the office of directorship for a term of 5 (five) years. Mr. V. Ravi resigned as a Director of the Company with effect from 7th September, 2020. Dr. Jaideep Devare resigned as a Managing Director of the Company with effect from 25th December, 2020. The Board places on record its appreciation for their valuable contribution and guidance.

9. Key Managerial Personnel

As at the date of this Report, the Key Managerial Personnel of the Company, as envisaged under the provisions of Section 203 of the Companies Act, 2013, Mr. Saurabh V. Dharadhar – Chief Financial Officer and Ethics Officer and Ms. Rupa Joshi – Company Secretary.

10. Board Meeting and Annual General Meeting

The Board of Directors met 7 (seven) times in Financial Year 2020-21 viz. May 8, 2020, July 13, 2020, September 15, 2020, October 15, 2020, December 15, 2020, January 21, 2021 and March 8, 2021. The maximum interval between any 2 (two) meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. These Meetings were well attended. The requisite quorum was present for all the meetings.

In view of the outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") had vide its General Circulars dated March 19, 2020, June, 23, 2020, September 28, 2020 and December 30, 2020 respectively, (collectively referred to as "MCA Circulars"), permitted the holding of Board Meetings through VC/OAVM, for the restricted matters mentioned under sub rule (1) of Rule 4 of Companies (Meetings of Board and its Powers) Rules, 2014.

There were no Extra-Ordinary General Meetings held during the year.

The names and categories of the Directors of the Company, their attendance at the Board Meetings held during the Financial Year 2020-21 and at the last Annual General Meeting of the Company held on July 13, 2020 are as follows:

Names of Directors	Category	Attendance at the Board Meetings held during the Financial Year 2020-21		Attendance at the Last Annual General Meeting held on July 13, 2020 (Yes/ No/ N.A.)
		Held	Attended	
Mr. Rajeev Dubey (Chairman)	Non-Executive, Non-Independent	7	7	Yes
Mr. Ramesh Iyer	Non-Executive, Non-Independent	7	7	Yes
Mr. V. Ravi#	Non-Executive, Non-Independent	2	2	Yes
Mr. Jyotin Mehta	Non-Executive, Independent	7	7	Yes
Ms. Anjali Raina	Non-Executive, Independent	7	7	Yes
Mr. Hemant Sikka	Non-Executive, Non-Independent	7	7	Yes
Dr. Jaideep Devare@	Executive, Non-Independent	5	5	Yes
Mr. Derek Nazareth	Non-Executive, (Investor Director)	7	7	Yes
Mr. Rajnish Agarwal*	Non-Executive, Non-Independent	2	2	N.A.
Mr. Vivek Karve*	Non-Executive, Non-Independent	2	2	N.A.

\# Mr. V. Ravi resigned as Director of the Company with effect from 7th September, 2020. Two Meetings were held during his tenure.

@ Dr. Jaideep Devare resigned as a Managing Director of the Company with effect from 25th December, 2020. Five Meetings were held during his tenure.

* Mr. Rajnish Agarwal and Mr. Vivek Karve have been appointed as a Non-Executive, Non-Independent Directors of the Company with effect from 5th January, 2021. Two Meetings were held during their tenure.

11. Meetings of Independent Directors

As stipulated by the Code of Independent Directors under the Act, one (1) meeting of the Independent Directors was held on February 18, 2021 during the year 2020-21. This Meeting was conducted in an informal manner to enable the Independent Directors to discuss matters relating to Company's affairs and put forth their views without the presence of the Managing Director, Chief Financial Officer, other Non-Independent Directors and members of the Management.

At this Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairman of the Company, taking into account the views of Non-Executive Directors, assessed the quality, quantity and timeliness of the flow of information between the Management and the Board and its Committees that is necessary for the Board to effectively and reasonably perform and discharge its duties. This Meeting was well attended by the Independent Directors.

12. Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return as on 31st March, 2021 in Form No. MGT-7, is available on the Company's website and can be accessed at weblink https://www.mahindrainsurance.com/Financial-Reports.aspx

13. Committees of the Board

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework of delegated authority and make specific recommendations to the Board on matters within their areas or purview. The decisions and recommendations of the Committees are placed before the Board for information or for approval, as required.

Your Company has three Board level Committees – Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

The composition and functioning of these Committees are in compliance with the applicable provisions of the Companies Act, 2013. During the year under review, all recommendations received from its Committees were accepted by the Board.

The Company has following Committees of the Board:

i) Audit Committee
ii) Nomination and Remuneration Committee
iii) Corporate Social Responsibility Committee

i) Audit Committee

As on March 31, 2021, the Audit Committee comprised of 2 (two) Independent Directors and 1 (one) Non-Executive Non-Independent Director. Presently, the

Committee is comprised of Mr. Jyotin Mehta (Chairman) and Ms. Anjali Raina, both Independent Directors and Mr. Ramesh Iyer, Non-Executive Non-Independent Director.

The Committee met 4 (four) times during the year on May 8, 2020, July 13, 2020, October 15, 2020, and January 21, 2021. The gap between 2 (two) meetings did not exceed one hundred and twenty days.

The Committee was reconstituted with effect from September 15, 2020 due to resignation of Mr. V. Ravi with effect from September 7, 2020.

All the Members of the Audit Committee possess strong accounting and financial management knowledge. The Committee's composition meets with the requirements of Section 177 of the Act.

The terms of reference of this Committee are very wide and are in line with the regulatory requirements mandated by the Act. Besides having access to all the required information from within the Company, the Committee can obtain external professional advice whenever required.

The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorised to, inter alia, review and monitor the Auditor's independence and performance, effectiveness of the audit process, oversight of the Company's financial reporting process and the disclosure of its financial information, reviewing with the Management; the quarterly and annual financial statements and the Auditors' Report thereon before submission to the Board for approval, select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters, approve transactions of the Company with related parties including subsequent modifications thereof, grant omnibus approvals for related party transactions subject to fulfillment of certain conditions, scrutinise intercorporate loans and investments, valuation of undertakings or assets of the Company wherever it is necessary, evaluate internal financial controls and risk management systems. The Committee is also empowered to inter alia review the remuneration payable to the Statutory Auditors and Internal Auditors, recommend to the Board the term of appointment and remuneration of the Statutory Auditors and Internal Auditors and recommend a change in the Auditors, if felt necessary. Further, the Committee is empowered to recommend to the Board, the appointment of Chief Financial Officer, the term of appointment and remuneration of the Internal Auditor, etc.

The Committee is also authorised to oversee the functioning of the Whistle Blower Policy as well as review on a periodic basis.

The attendance of the members of the Audit Committee at its meetings held during the Financial Year 2020-21 is given below:

Names of Members	Category	Attendance at the Meetings held during the Financial Year 2020-21	
		Held	**Attended**
Mr. Jyotin Mehta (Chairman)	Non-Executive, Independent	4	4
Ms. Anjali Raina	Non-Executive, Independent	4	4
Mr. V. Ravi@	Non-Executive, Non-Independent	2	2
Mr. Ramesh Iyer*	Non-Executive, Non-Independent	2	2

@ Mr. V. Ravi ceased to be a Member of the Committee pursuant to his resignation from the Company with effect from September 7, 2020. Two Meetings were held during his tenure.

*Mr. Ramesh Iyer was appointed as a Member of the Audit Committee with effect from September 15, 2020. Two Meetings were held during his tenure.

The Board has accepted all the recommendations made by the Audit Committee during the year. The Managing Director, Chief Financial Officer, Chief Internal Auditor of Mahindra & Mahindra Limited and the Principal Officer are regularly invited to attend the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee.

Mr. Jyotin Mehta, Chairman of the Audit Committee, was present at the 33rd Annual General Meeting of the Company held on July 13, 2020.

ii) Nomination and Remuneration Committee

As on March 31, 2021, the Nomination and Remuneration Committee comprised of 2 (two) Independent Directors and 2 (two) Non-Executive Non-Independent Directors.

Presently, the Committee comprises of Mr. Jyotin Mehta and Ms. Anjali Raina, Independent Directors and Mr. Rajeev Dubey and Mr. Ramesh Iyer, Non-Executive and Non-Independent Directors of the Company.

The Committee met 5 (five) times during the year on May 8, 2020, July 13, 2020, 15th September, 2020, 14th October, 2020 and December 15, 2020. The gap between 2 (two) meetings did not exceed one hundred and twenty days.

The Nomination and Remuneration Committee *inter alia* identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria to be laid down and recommends the appointment and removal of directors and carries out performance evaluation of every director in accordance with the framework adopted by the Board. The Committee also decides the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Committee is also empowered to look into the entire gamut of remuneration package for the working Director(s) and revise their remuneration suitably within the limits prescribed under the Companies Act, 2013 with power to consider fixing/re-fixing salaries, perquisites and other terms of remuneration of the working Director(s) of the Company subject to approval of shareholders.

The attendance of the Members of Nomination and Remuneration Committee at its meetings held during the Financial Year 2020-21 is given below:

Names of Members	**Category**	**Attendance at the Meetings held during the Financial Year 2020-21**	
		Held	**Attended**
Mr. Rajeev Dubey	Non-Executive, Non-Independent	5	5
Mr. Jyotin Mehta	Non-Executive, Independent	5	5
Mr. Ramesh Iyer	Non-Executive, Non-Independent	5	5
Ms. Anjali Raina	Non-Executive, Independent	5	5

iii) Corporate Social Responsibility Committee

As on March 31, 2021, the Corporate Social Responsibility Committee comprised of 1 (one) Independent Director and 2 (two) Non-Executive Non-Independent Directors. The Corporate Social Responsibility Committee is comprised of Mr. Rajeev Dubey, Mr. Ramesh Iyer and Ms. Anjali Raina.

The Committee met twice during the year on May 8, 2020, and October 14, 2020. The gap between 2 (two) meetings did not exceed one hundred and twenty days.

The Committee is constituted in line with the provisions of Section 135 of the Act. The Committee formulates and recommends to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act. The Committee also recommends the amount of expenditure to be incurred on the activities mentioned in the CSR Policy and monitors the CSR Policy periodically.

The details of the meetings attended by the Committee Members are as follows:

Names of Members	Category	Attendance at the meetings held during the Financial Year 2020-21	
		Held	**Attended**
Mr. Rajeev Dubey (Chairman)	Non-Executive, Non-Independent	2	2
Mr. Ramesh Iyer	Non-Executive, Non-Independent	2	2
Ms. Anjali Raina	Non-Executive, Independent	2	2
Mr. V. Ravi*	Non-Executive, Non-Independent	1	1
Dr. Jaideep Devare@	Executive, Non-Independent	2	2

* Mr. V. Ravi ceased to be a Member of the Committee pursuant to his resignation from the Company with effect from September 7, 2020.
@ Dr. Jaideep Devare ceased to be a Member of the Committee pursuant to his resignation from the Company with effect from December 25, 2020.

Your Company is in compliance with the statutory requirements in this regard. The Annual Report on the CSR activities undertaken by your Company in the Financial Year 2020-21 is appended as Annexure I to this Report.

14. Compliance with Secretarial Standards

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

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

15. Performance Evaluation of the Board

The evaluation framework for assessing the performance of Directors comprises of various key areas such as attendance at Board and Committee Meetings, quality of contribution to Board discussions and decisions, strategic insights or inputs regarding future growth of the Company and its performance, ability to challenge views in a constructive manner, knowledge acquired with regard to the Company's business/ activities, understanding of industry and global trends, etc.

The evaluation involves self-evaluation by the Board Member and subsequent assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/her evaluation. Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually (including Independent Directors). Feedback was sought by way of well-defined and structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, etc., and the evaluation was carried out based on responses received from the Directors.

A separate exercise was carried out by the Nomination and Remuneration Committee of the Board to evaluate the performance of individual Directors who were evaluated on several parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders and knowledge acquired with regard to the Company's business/activities. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors.

The performance evaluation of the Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Directors and Non-Executive Directors. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. Qualitative comments and suggestions of Directors were taken into consideration by the Chairman of the Board and the Chairman of the Nomination and Remuneration Committee. The Directors have expressed their satisfaction with the evaluation process.

16. Confirmation regarding Independence of Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Rules framed thereunder.

Based on the disclosures received from all the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions specified in Section 149 of the Act and are independent of the Management.

17. Statement regarding the opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors

The Board is of the opinion that the Independent Directors viz. Mr. Jyotin Mehta and Ms. Anjali Raina satisfy the criteria as defined under Rule 8(5) of the Companies (Accounts) Rules, 2015 with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed w.e.f 1st December, 2019 during the year.

Mr. Jyotin Mehta is exempted from appearing for online proficiency self-assessment test as per Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the said Rule"). Ms. Anjali Raina has passed the online proficiency self-assessment test as prescribed under the said Rule.

18. Directors' Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability, confirm that:

i. In the preparation of the annual accounts for Financial Year ended March 31, 2021, the applicable accounting standards have been followed and there are no material departures in adoption of these standards;

ii. They have 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 March 31, 2021 and of the profit of the Company for the year ended on that date;

iii. They have 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;

iv. They have prepared the annual accounts for Financial Year ended March 31, 2021 on a 'going concern' basis;

v. They devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

19. Corporate Social Responsibility

Transforming lives of the rural population has been the primary focus of all CSR initiatives undertaken by your Company. The endeavour is to empower the rural communities and help them unleash their potential. Your Company has identified Healthcare, Education (including Livelihood) and Environment as key CSR thrust areas for the welfare of one of the major stakeholders - rural communities in India.

During the year under review, your Company has spent Rs.180.71 Lakhs on CSR projects/programs. The amount equals to 2% of the average net profit for the past three financial years. Your Company is in compliance with the statutory requirements in this regard.

The CSR Policy of the Company is hosted on the Company's website https://www.mahindrainsurance.com/Social-Responsibility.aspx.

The brief outline of the CSR Policy and the CSR initiatives undertaken by the Company during the year as per annexure prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as **Annexure I** to this Report.

20. Company's policy on remuneration of Directors, Key Managerial Personnel and Employees

The Company has adopted the following policies as required under sub-section (3) of section 178 of the Companies Act, 2013:

(i) 'Policy on Remuneration of Directors' and
(ii) 'Remuneration Policy for Key Managerial Personnel (KMPs) and Employees'.

which includes the criteria for determining qualifications, positive attributes and independence of a director.

The Nomination and Remuneration Committee while recommending the appointment of Directors considers desirable qualifications which may amongst other things include professional qualifications, skills, professional experience, background and knowledge apart from the criteria of independence as prescribed under the Companies Act, 2013.

The Policy on Remuneration of Directors and Remuneration Policy for KMPs and Employees of the Company is appended as **Annexure II** to this Report in accordance with the provisions of sub-section (4) of section 178 of the Act. The remuneration paid to the directors is as per the terms laid out in the Remuneration Policy of the Company.

The Remuneration Policy on Remuneration of Directors, Key Managerial Personnel and Employees of the Company is hosted on the Company's website https://www.mahindrainsurance.com/Remuneration-Policy.aspx.

21. Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has established a vigil mechanism for its Directors, Employees and Stakeholders associated with the Company to report their genuine concerns. The Company has voluntarily adopted a Whistle Blower Policy, to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee. As per the Whistle Blower Policy implemented by the Company at its Board Meeting held on November 13, 2019, the employees, directors, vendors, suppliers, or any stakeholders associated with the Company are eligible to make protected disclosures under the policy.

Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. Protected disclosures can be made through 5 reporting channels viz. phone, email, web portal, fax and post box. The Whistle Blower Policy has been appropriately communicated within the Company and is available on the website of your Company at the web-link: https://www.mahindrainsurance.com/Whistle_blower.aspx.

22. Codes of Conduct for Corporate Governance

The Board of Directors of the Company had adopted separate Codes of Conduct for Corporate Governance ("the Codes") for its Directors and Senior Management and Employees. These Codes enunciate the underlying principles governing the conduct of the Company's business and seek to reiterate the fundamental precept that good governance must and would always be an integral part of the Company's ethos. The Company has for the year under review, received declarations under the Codes from the Board Members, the Senior Management and Employees of the Company affirming compliance with the respective Codes.

The Board has also laid down a Code of Conduct for Independent Directors pursuant to Section 149(8) read with Schedule IV of the Act, which is a guide to professional conduct for Independent Directors of the Company. This code is available on the Company's website at https://www.mahindrainsurance.com/Board.aspx.

23. Public Deposits

The Company has not accepted any deposits from the public or its employees during the year under review. No amount on account of principal or interest on deposits from public was outstanding as on the date of balance sheet.

24. Particulars of loans, guarantees or investments

The Company has made loans and advances in the nature of loans under Section 186 of the Companies Act, 2013, the details of which are mentioned in the notes to the financial statements and forms part of this Report.

Your Company has not made any loans/advances and investment which are required to be disclosed in the annual accounts of the Company pursuant to Regulation 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V, applicable to the parent Company.

25. Particulars of contracts or arrangements with related parties

All contracts / arrangements / transactions entered into by the Company during the Financial Year with related parties were in the ordinary course of business and on an arm's length basis hence do not fall under the scope of Section 188(1) of the Act. None of the Non-Executive Directors have any pecuniary relationships or transactions vis-à-vis the Company.

The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in the prescribed form AOC -2 as **Annexure III** and the same forms part of this report.

26. Material Changes and Commitments affecting the Financial Position of the Company

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report.

26. Change in the nature of business

There was no change in nature of business carried on by the Company during the year under review.

27. Risk Management

The Company has a well-defined risk management framework in place. Your Company has established procedures to periodically review risk assessment and steps taken by it to mitigate these risks. The key business risks identified by the Company and its mitigation plans are as under:

i) Competitive Risks

Overall slowdown in economic activity could have an adverse effect on the financial condition and operational results of the Company.

As the overall levels of economic activity increase, the demand for insurance generally rises, and vice-versa. This impacts both, the brokerage as well as fees, generated by the business. Softening of the insurance market i.e. downward trends in the year-over-year insurance premium charged by insurers to offer protection against the same risk, could adversely affect the business as a large portion of the earnings are brokerage which is determined as a percentage of premium charged to the customers.

Significant competitive pressures in each of the business lines

The Company competes with a large number of insurance companies and other insurance intermediaries. Some of the competitors may have or may develop a lower cost structure, adopt or provide services that gain greater market acceptance. Large and well-established competitors may be able to respond to the need for technological changes and innovate faster, or price their services more aggressively. They may also compete hard for skilled professionals, finance acquisitions, fund internal growth and compete for customers. To respond to increased competition, we may have to lower the pricing of the services.

ii) Legal and Regulatory Risks

The Company is subject to professional indemnity claims made against it, as well as other legal proceedings, some of which, if determined against the Company, could have a material adverse effect on the financial condition or results of operations of a particular business line or the Company as a whole.

The Company traditionally has procured, and intends to continue to procure, insurance to cover professional indemnity claims and other insurance to provide protection against certain claims or losses that arise in such matters.

The business is subject to extensive regulation, which could reduce profitability, limit growth, or increase competition.

The business is subject to extensive legal and regulatory oversight, including the IRDAI (Insurance Brokers) Regulations, 2018 and the rules and regulations promulgated by the Insurance Regulatory and Development Authority of India (IRDAI) and a variety of other laws, rules and regulations. This legal and regulatory oversight could reduce profitability or limit growth by limiting or restricting the products or services the Company sells, by increasing the costs of legal and regulatory compliance, limiting the distribution methods by which it sells products and services, or capping the brokerage or fees it can charge for the services, limiting the amount and form of compensation it can accept from the customers, insurers and third parties, or by subjecting the business to the possibility of legal and regulatory actions or proceedings.

Though the employees of the Company and authorized representatives exercise due care so not to violate these laws and regulations, there can be no assurances as regards the same.

iii) Operational and Commercial Risks

The Company's success depends on its ability to retain and attract experienced and qualified personnel, including the senior management and operating team and other professional personnel.

The business depends, to a large extent, upon the members of the senior management team and senior operating team, who possess extensive knowledge and a deep understanding of the business and strategy. The unexpected loss of services of any of the senior executives could have a disruptive effect, thereby impacting ability to manage the business effectively till such time as an able replacement is in place. The Company is constantly working to retain and attract these professionals through various people development initiatives.

Business performance and growth plans could be affected if the Company is not able to effectively apply technology in driving value for its customers through technology-based solutions or gain internal efficiencies through the effective application of technology and related tools. Conversely, investments in innovative technology-based solutions may fail to yield sufficient return to cover their investments.

The Company's success depends, in part, on its ability to apply and implement technology-based solutions that anticipate and keep pace with rapid and continuing changes in customer preferences. Response to these preferences needs to be timely and cost-effective. This also entails the business to incur considerable investment. In order to acquire and retain customers, the Company continuously strives to offer newer and cost-effective technologies to its customers, ahead of its competitors.

Other factors, outside of the Company's control.

The Company has no control over premium rates. The brokerage rates, too, are capped by the regulations.

In addition to movements in premium rates, the ability to generate premium-based brokerage revenue may be challenged by:

- the level of compensation, as a percentage of premium, that insurers are willing to compensate brokers for placement activity, which in any case, is capped by the regulations;
- competition from insurers seeking to sell their products directly to consumers without the involvement of an insurance broker;
- increasing willingness on the part of customers to "self-insure", which would increase competition and put pressure on pricing;
- fluctuation in the need for insurance as the economic downturn continues, as customers prioritize their need and willingness to procure insurance accordingly.

28. Auditors

Messrs. Mukund M. Chitale & Co., Chartered Accountants (ICAI Firm Registration Number 106655W) were appointed as Statutory Auditors of the Company at the 32nd AGM to hold office for a period of 4 years, commencing from the conclusion of the 32nd AGM until the conclusion of the 36th AGM of the Company to be held in the year 2023.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

The Report given by the Auditors on the Financial Statements of the Company for the Financial Year 2020-21 is a part of the Annual Report. The Report is unmodified and does not contain any qualification, reservation, adverse remark or disclaimer.

The Statutory Auditors were present at the last AGM.

29. Accounting Standards followed by the Company

The financial statements have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

30. Human Resources

For us cornerstone of our business is our human resource – our people. The Company considers its talent as its great asset and continues to invest in development of Human Capital. During the Financial Year ended on March 31, 2021, the Company had focus on learning programs which has direct impact on sales and services of insurance products, and behaviours important for delivering enhanced customer experience. The re-imagined approach to learning and development during Covid-19 pandemic has helped the Company train over 1044 employees through digital platform.

Your Company, during the year ended on March 31, 2021 has organized various capability development programmes focused on enhancing insurance domain knowledge and programs recommended by regulators for the employees in different functions and levels.

During the year, the People Development Team intensified its continual pursuit of connecting and communicating with employees on a regular basis providing immediate support and care throughout the year. The Company supported employees with various medical care facilities and services by empanelling with external expert service providers such as Nightingales and Ekincare.

Your Company understands its responsibility towards society and sustainability through the spectrum of people, profit and planet and always encourages its employees in volunteering and implementing various social initiatives.

The Company has a robust framework of processes based on the principles of People-CMM (CMMI® Institute) and CII (The Confederation by Indian Industry) which are continually guided by assessments/feedback from the institutions such as The Mahindra Way and ISO.

Your Company strongly believes in maintaining the dignity of all employees. Discrimination and harassment of any type are strictly prohibited. Your Company has taken the necessary steps to abide by all statutory compliances and enhance awareness w.r.t. provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the Act") and the Rules framed thereunder. During the year under review, there were no cases filed pursuant to the Act and Rules framed thereunder.

32. Subsidiaries

The Company does not have any subsidiary as at March 31, 2021 or during the Financial Year ended on that date.

33. Particulars regarding conservation of energy, technology absorption, and foreign exchange earnings and outgo

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is given in **Annexure IV**.

34. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There are no significant and material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operations.

35. Details in respect of adequacy of internal financial controls with reference to the Financial Statements

Your Company has in place adequate system of internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations. Your Company uses various industry standard systems to enable, empower and engender businesses and also to maintain its Books of Accounts. The transactional controls built into these systems ensure appropriate segregation of duties, the appropriate level of approval mechanisms and maintenance of supporting records.

Assessment of the internal financial controls environment of the Company was undertaken during the year which covered verification of entity level controls, process level controls and IT controls, identification, assessment and definition of key business processes and analysis of risk control matrices, etc. The risk control matrices are reviewed on a yearly basis and control measures are tested and documented on a quarterly basis. Reasonable Financial Controls are operative for all the business activities of the Company and no material weakness in the design or operation of any control was observed.

Nonetheless your Company recognises that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

The audit committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations periodically.

The management has assessed the effectiveness of the company's internal control over financial reporting as of March 31, 2021.

M/s. Mukund M. Chitale, the statutory auditors of your Company have audited the financial statements included in this annual report and have issued a report on the internal financial control over financial reporting (as defined in section 143 of Companies Act 2013).

Based on its evaluation (as defined in section 177 of Companies Act 2013), the audit committee has concluded that, as of March 31, 2021, our internal financial controls were adequate and operating effectively.

36. Reporting of Frauds

There are no frauds on or by the Company which were required to be reported by the Statutory Auditors of the Company to the Central Government.

37. Maintenance of Cost Records

The Company is not required to maintain Cost Records pursuant to section 148(1) of the Companies Act, 2013 read with applicable Rules.

38. Secretarial Auditor

The Board of Directors of the Company has appointed Messrs. Siroya & BA, Associates, Company Secretaries, to conduct the Secretarial Audit of the Company pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The secretarial audit report issued for the F.Y. 2020-21, do not contain any qualifications, reservations, or adverse remarks or disclaimer. In accordance with the provisions of sub-section (1) of section 204, the Secretarial Audit Report for the Financial Year 2020-21 is appended to this Report as **Annexure V**.

39. Acknowledgements

The year ended March 31, 2021 has been vastly different from previous years. It was a year when the entire world has been engulfed by the pandemic. It has been a year where some of our employees and customers have lost our near and loved ones to the pandemic. Your Directors pay their deepest respects to the departed souls and offer their prayers for the bereaved families.

Your Directors take this opportunity to express their deep sense of gratitude to the entire "Covid Warrior" community, who, at great risk to their own life and health, have been at the forefront of helping fight this pandemic, in their respective fields. Your Directors also take this opportunity to express their gratitude to the Central and State Governments for taking the necessary steps to control the pandemic, and at the same time, ensure survival of businesses.

Your Directors would also like to place on record their sincere appreciation of the Regulator, the Insurance Regulatory and Development Authority of India (IRDAI) for their continuous support and guidance rendered to the Company and the insurance industry, in general, during this difficult period. Your Directors would also like to thank the Company's customers, business partners, vendors and investors for their continuous support.

Above all, your Directors take pride in and would like to specially thank the employees of the Company, many of who, of their own accord, have gone beyond their sphere of duties, to help the general public including the migrant community and the underprivileged sections of society, especially during the height of the lockdown, during the current financial year. Your Directors truly appreciate and value the contributions made by each and every member of the Company.

For and on behalf of the Board

Sd/-
Rajeev Dubey
Chairman

Mumbai, April 15, 2021
Registered Office:
Mahindra Towers,
P. K. Kurne Chowk, Worli,
Mumbai – 400 018
CIN: U65990MH1987PLC042609
Tel: +91 22 6642 3800
Fax: +91 22 2491 5894
E-mail: insurance.care@mahindra.com
Website: www.mahindrainsurance.com

ANNEXURE- II

ANNUAL REPORT ON CSR ACTIVITIES (For FY 2020-21)

Brief outline on CSR Policy of the Company.

At Mahindra Insurance Brokers Limited we sincerely believe that the actions of the organization and its community are highly inter-dependent. Both on its own and as part of the Mahindra Group, through constant and collaborative interactions with our external stakeholders, **MIBL** strives to become an asset in the communities where it operates.

MIBL mission is driving positive impact in communities.

Objective of this Policy is to continuously and consistently:

- Define and lay down the guiding principles and strategies implementing Company's CSR initiatives;
- Outline our Board's vision and approach for undertaking CSR and creating impact in the communities;
- Encourage an increased commitment and engagement from employees towards CSR and volunteering interventions called ESOPs (Employee Social Options).

Policy Guidelines/ Guiding Principles

- All CSR Projects must be aligned as prescribed in Schedule VII of the Companies Act, 2013.
- CSR projects or programmes or interventions (except training of Indian Sports Personnel representing any State or Union territory at national level or India at international level) must be undertaken in India.
- The Company may take help of International Organizations in designing, monitoring, and evaluating its CSR Projects, and in assisting with capacity building of its personnel. However, it is clarified that such organizations cannot take the responsibility of actual implementation of the CSR initiatives.
- CSR projects or programmes must not include the initiatives undertaken in pursuance of normal course of business of the Company.
- Projects or programmes or Interventions that benefit only the employees of the Company shall not be considered as CSR.
- CSR interventions should be in project/programme mode. One-off events such as marathons/awards/charitable contribution/advertisement/sponsorship of TV programmes etc. and any other sponsorship activity deriving marketing benefits for the company's products or services will not qualify as part of CSR expenditure.
- Contribution of any amount directly or indirectly to any political party shall not be considered as CSR.

- Activities carried out for fulfilment of any other statutory obligations under any law in force in India will not qualify towards CSR requirements.

1. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Rajeev Dubey	Chairman	2	2
2	Mr. Ramesh Iyer	Non Executive & Non Independent Director	2	2
3	Ms. Anjali Raina	Independent Director	2	2

2. Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:
https://www.mahindrainsurance.com/Social-Responsibility.aspx

3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) - **NA**

4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years(in Rs)	Amount required to be set-off for the financial year, if any(in Rs)
Not Applicable			

5. Average net profit of the company as per section 135(5)
INR in Lacs – 9035.61

6. Two percent of average net profit of the company as per section 135(5)
INR in Lacs – 180.71
    a. Surplus arising out of the CSR projects or programmes or activities of the previous financial years - **NA**
    b. Amount required to be set off for the financial year, if any - **NA**
    c. Total CSR obligation for the financial year (6a + 6b – 6c)

INR in Lacs – 180.71

7.

a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs. Lacs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second revision to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
180.71	NA	NA	NA	NA	NA

b. Details of CSR amount spent against **ongoing projects** for the financial year: -

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project(in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation-Direct (Yes/No).	Mode of Implementation -Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
Not Applicable												

c. Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation– Through implementing agency.	
				State.	District.			Name.	CSR Registration number.

1	Girl child education	Education	Yes	Uttar Pradesh	Prayagraj Shravasti	97,92,000	No	KCMET Nanhi Kali	CSR00000511
2	Project - Aarogya Support rural health care	Health	Yes	Maharashtra	Titwala	31,50,000	No	Creative Group Shree Mahaganpati Hospital	Awaited
3	Project Skilling - Skill development training for Pwd's ((Dhan & Sampada))	Education	Yes	Pan India	Pan India	20,00,000	No	Sarthak Education Trust	CSR00001093
4	Project Aarogya - To maximize the potential of individual with intellectual disability students	Health & Education	Yes	Maharashtra	Mumbai	10,00,000	No	Jai Wakeel Foundation & Research Center	CSR00001574
5	Disaster Management	Health	Yes	Maharashtra Gujarat Delhi/NCR UP	Pune Ahmadabad/Surat Delhi/NCR Varanasi/Gorakpur/Agra	12,50,000	No	Habitat for Humanity	CSR00000402
6	Welfare of the armed forces	Donation	Yes	Maharashtra	Sion, Mumbai	2,50,000	No	Sri Shanmukhananda Fine Arts & Sangeetha Sabha	Awaited
7	Project Aarogya – Financial support towards treatment of Cancer patient.	Health	Yes	Maharashtra	Santacruz, Mumbai	4,00,000	No	Think Foundation	Awaited
8	Project - Go Green Initiative	Health	Yes	Maharashtra	Matunga, Mumbai	2,00,000	No	Hindu Women's Welfare Society	Awaited

	Donation towards purchase of Bio Composter machine.								
9	Project - Samantar Support towards procuring Blind Folding Sticks & talking watches	Education	Yes	Maharashtra	Borivali, Mumbai	29,000	No	National Society for the Blind	Awaited
	TOTAL					**18071000**			

d. Amount spent in Administrative Overheads - **NIL**

e. Amount spent on Impact Assessment, if applicable - **NA**

f. Total amount spent for the Financial Year (7b +7c +7d+ 7e)
INR in Lacs 180.71

g. Excess amount for set off, if any - **NA**

Sl. No.	**Particular**	**Amount (in Rs.)**
(i)	Twopercentofaveragenetprofitofthecompanyaspersection135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	

8.

a. Details of Unspent CSR amount for the preceding three financial years -

Sl. No.	**Preceding Financial Year.**	**Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)**	**Amount spent in the Reporting Financial Year (in Rs.).**	**Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.**			**Amount remaining to be spent in succeeding financial years. (in Rs.)**
				Name of the Fund	**Amount (in Rs).**	**Date of transfer.**	
Not Applicable							

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	**Project ID.**	**Name of the Project.**	**Financial Year in Which the project was commenced.**	**Project duration.**	**Total amount allocated for the project (in Rs.).**	**Amount spent on the project in the reporting Financial Year (in Rs).**	**Cumulative amount spent at the end of reporting Financial Year. (in Rs.)**	**Status of the project - Completed /Ongoing.**
Not Applicable								

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details).**
   a. Date of creation or acquisition of the capital asset(s).- **None**
   b. Amount of CSR spent for creation or acquisition of capital asset. - **Nil**
   c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - **NA**
   d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - **NA**

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). - **NA**

For and on behalf of the Corporate Social Responsibility Committee of Mahindra Insurance Brokers Limited
Sd/-

Rajeev Dubey
Chairman
Corporate Social Responsibility Committee

Place: Mumbai
Date: 15th April, 2021

<u>**ANNEXURE II-A TO THE DIRECTORS' REPORT**</u>

POLICY ON REMUNERATION OF DIRECTORS

Prelude

Mahindra Insurance Brokers Limited ("Company") is a composite insurance broking company registered with the Insurance Regulatory and Development Authority of India ('IRDAI'), and is engaged in providing direct insurance broking for Corporate and Retail customers and offers a range of products for the Non-Life and Life segments.
The company is also engaged in the business of reinsurance broking wherein it caters to insurance requirements of insurance companies.

This Policy shall be effective from the Financial Year 2014 - 15.

Intent of the Policy

The intent of the Remuneration Policy of Directors of the Company is to focus on enhancing the value and to attract and retain quality individuals with requisite knowledge and excellence as Executive and Non-Executive Directors for achieving objectives of the Company and to place the Company in a leading position.

The Nomination and Remuneration Committee (NRC) of the Board shall, while formulating the policy ensure that —

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;
b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
c) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

While deciding the policy on remuneration of Directors the Committee may consider amongst other things, the duties and responsibilities cast by the Companies Act, 2013, various Codes of Conduct, Articles of Association, restrictions on the remuneration to Directors as also the remuneration drawn by Directors of other companies in the industry, the valuable contributions and inputs from Directors based on their knowledge, experience and expertise in shaping the destiny of the Company etc. The Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Companies Act, 2013 and principles pertaining to qualifications, positive attributes, integrity and independence of Directors, etc.
Directors

The Managing Director is an executive of the Company and draws remuneration from the Company. The Non-Executive Chairman and Independent Directors may receive sitting fees for attending the meeting of the Board and the Committees thereof, if fixed by the Board of Directors from time to time subject to statutory provisions. The Non-Executive Chairman and Independent Directors would be entitled to the remuneration under the Companies Act, 2013. A Non-Executive Chairman and Non-Executive Non-Independent Directors who receive remuneration from the holding company or a Group Company will not be paid any sitting fees or any remuneration. In addition to the above, the Directors are entitled for reimbursement of expenses incurred in discharge of their duties. Payment of Remuneration to Nominee Directors shall be governed by the agreement with the Financial Institution/Bank appointing the Nominee Director and by the Articles of Association of the Company.

The Managing Director and other eligible Director(s) as per extant statutory provisions may be granted Employees Stock Options, Stock Appreciation Rights or any other Share based Employee benefits pursuant to any scheme that may be approved by the Board of Directors and shareholders of the Company subject to such other approvals as may be required.

Non-Executive Directors may be paid remuneration either by way of monthly payment or at a specified percentage of net profits of the Company or partly by one way and partly by another, subject to the provisions of Companies Act, 2013.

The NRC while determining the remuneration shall ensure that the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully. While considering the remuneration, the NRC shall also ensure a balance between fixed and performance-linked variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The NRC shall consider that a successful Remuneration Policy must ensure that some part of the remuneration is linked to the achievement of corporate performance targets.

Managing Director/Executive Directors

The term of office and remuneration of Managing Director/Executive Directors are subject to the approval of the Board of Directors, Shareholders and other Statutory Authorities as may be required and the limits laid down under the Companies Act, 2013 from time to time.

If, in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay, subject to the requisite approvals, remuneration to its Managing Director/Executive Directors in accordance with the provisions of Schedule V of the Companies Act, 2013.

If any Managing Director/Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the approval of shareholders, where required, he/she shall refund such sums to the Company within 2 years or such lesser period as may be allowed by the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Shareholders by Special Resolution.

Remuneration of the Managing Director/Executive Directors reflects the overall remuneration philosophy and guiding principle of the Company. While considering the appointment and remuneration of Managing Director/Executive Directors, the NRC shall consider the industry benchmarks, merit and seniority of the person and shall ensure that the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

Remuneration for Managing Director/Executive Director is designed subject to the limits laid down under the Companies Act, 2013 to remunerate them fairly and responsibly. The remuneration to the Managing Director/Executive Director comprises of salary, perquisites and performance based incentive apart from retirement benefits like Provident Fund, Superannuation, Gratuity, Leave Encashment, etc., as per Rules of the Company. Salary is paid within the range approved by the Shareholders. Increments are effective annually, as recommended / approved by the NRC/ Board. In terms of the shareholders' approval, the Commission may be paid to Managing Director in any Financial Year at a rate not exceeding 1/4% (one fourth percent) per annum of the profits of the Company computed in accordance with the applicable provisions of the Companies Act, 2013 as may be recommended by NRC and approved by the Board.

The total remuneration will have a flexible component with a bouquet of allowances to enable the Managing Director/Executive Director to choose the allowances as well as the quantum based on laid down limits as per Company policy. The flexible component can be varied only once annually.

The actual pay-out of variable component of the remuneratio n will be a function of individual performance as well as business performance. Business performance is evaluated using a Balanced Score Card (BSC) while individual performance is evaluated on Key Result Areas (KRA). Both the BSC and KRAs are evaluated at the end of the fiscal to arrive at the BSC rating of the business and performance rating of the individual.

Remuneration also aims to motivate the Personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long-term.

The Managing Director/Executive Directors are entitled to customary non-monetary benefits such as company cars, health care benefits, leave travel, communication facilities, etc., as per policies of the Company. The Managing Director and Executive Directors are entitled to grant of Stock Options as per the approved Stock Options Schemes of the Company from time to time.

Disclosures

Information on the total remuneration of members of the Company's Board of Directors, Managing Director/Executive Directors and Key Managerial Personnel/Senior Management Personnel may be disclosed in the Board’s Report as per statutory requirements laid down in this regard.

ANNEXURE II-B TO THE DIRECTORS' REPORT

REMUNERATION POLICY FOR KMP's AND EMPLOYEES

This Policy shall be effective from the Financial Year 2014-15.

Objective

To establish guidelines for remunerating employees fairly and in keeping with statutes.

Definition(s)

"Key Managerial Personnel" (KMP) as defined in section 2(51) of the Companies Act, 2013 means:

(i) the Chief Executive Officer or the Managing Director or Manager;
(ii) the Company Secretary;
(iii) the Whole-time Director;
(iv) the Chief Financial Officer; and
(v) such other officer as may be prescribed.

Standard

The broad structure of compensation payable to employees is as under:

- Fixed pay which has components like basic salary & other allowances / flexi pay as per the grade where the employees can chose allowances from bouquet of options.
- Variable pay (to certain grades) in the form of annual / half yearly performance pay based on Key Result Areas agreed – as applicable.
- Incentives either monthly or quarterly based on targets in the lower grades.
- Retirals such as Provident Fund, Gratuity & Superannuation (for certain grades).
- Benefits such as Employee Stock Option scheme, car scheme, medical & dental benefit, loans, insurance, telephone reimbursements, etc., as per grades.

Increments

Salary increase is given to eligible employees based on position, performance & market dynamics as decided from time to time.

For and on behalf of the Board
Sd/-

Mumbai, April 15, 2021

Rajeev Dubey
Chairman

ANNEXURE III TO THE DIRECTORS' REPORT

Information pursuant to section 134(3)(m) of the Companies Act, 2013, read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo

(A) Conservation of energy-

i. **the steps taken or impact on conservation of energy;**
   The operations of your Company are not energy intensive. However, adequate measures have been initiated to reduce energy consumption
ii. **the steps taken by the company for utilising alternate sources of energy** – Nil
iii. **the capital investment on energy conservation equipments** – Not Applicable

(B) Technology absorption-

i **the efforts made towards technology absorption** – *None.*

ii **the benefits derived like product improvement, cost reduction, product development or import substitution** – *Not applicable.*

iii **in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)**

a) the details of technology imported	: *None*
b) the year of import;	: *Not applicable*
c) whether the technology been fully absorbed;	: *Not applicable*
d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	: *Not applicable*

iv **the expenditure incurred on Research and Development** – *Nil.*

(C) Foreign exchange earnings and Outgo

The information on foreign exchange earnings and outgo is furnished in the Notes to the Accounts.

For and on behalf of the Board

Sd/-

Rajeev Dubey
Chairman

Mumbai, April 15, 2021

ANNEXURE IV TO THE DIRECTORS REPORT

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 arm's length transaction under third proviso thereto.

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

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

Sr. No.	Name (s) of the related party	Nature of relationship	Nature of Contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Amount(Rs. In Lakhs)	Date of approval by the Board
1	Mahindra & Mahindra Financial Services Limited (MMFSL)	Holding Company	Income-Handling charges	Handling charges towards insurance related services provided to MMFSL on the vehicles financed and hypothecated in favour of MMFSL	5,799.83 Lakhs	-

For and on behalf of the Board

Sd/-

Mumbai, April 15, 2021

Rajeev Dubey
Chairman

Annexure V to the Directors' Report

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Mahindra Insurance Brokers Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahindra Insurance Brokers Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the relevant and applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder, as may be applicable;

(ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable during the year); and

(iii) Based on the representation made by the Company and its officers and our verification of the relevant records on test check basis, the Company has adequate system and process in place for compliance under the following laws applicable specifically to the Company:

(i) Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India, and

2. Listing Agreement/LODR: The Company is an unlisted Company and therefore compliance with listing agreement is not applicable.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable. During the year, the Company has received Show Cause Notices from various regulatory authorities and the Company has responded to all the notices and the Company has not received any further response thereon from any such authorities.

We further report that the Board of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. During the year, (i) Mr. V. Ravi had resigned from the Directorship of the Company w.e.f. September 07, 2020; (ii) Mr. (Dr.) Jaideep Devare, Managing Director of the Company had resigned from the Company w.e.f. December 25, 2020; (iii) Mr. Vedanarayanan Seshadri was appointed as Managing Director at the Board meeting held on December 15, 2020, subject to approval of Insurance Regulatory and Development Authority of India (IRDAI); (iv) Mr. Vivek Karve and Mr. Rajnish Agarwal were appointed as Additional Directors w.e.f. January 05, 2021; and (v) Mr. Rajeev Dubey and Mr. Ramesh Iyer, Directors (Non-Executive) retired by rotation and were re-appointed at the Annual General Meeting of the Company held on July 13, 2020.

Adequate notice was given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation & deliberations at these meetings.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company in order to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not undertaken any specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Siroya and BA Associates
Company Secretaries

Sd/-

Bhavyata Raval
Partner
ACS No.: 25734
CP No.: 21758
UDIN.:

Date: April 15, 2021
Place: Mumbai

Note: This Report is to be read with our letter of even date which is annexed as '**Annexure A'** herewith and forms an integral part of this report.

'Annexure A'

To,
The Members,
Mahindra Insurance Brokers Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. In view of the ongoing restrictions/advisories issued by the Government of India/Maharashtra to contain the spread of Covid-19 pandemic on the movement of people, we have relied on electronic data for verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company.

For Siroya and BA Associates
Company Secretaries
Sd/-

Bhavyata Raval
Partner
ACS No.: 25734
CP No.: 21758
UDIN.:

Date: April 15 ,2021
Place: Mumbai

'Annexure A'

To,
The Members,
Mahindra Insurance Brokers Limited

Our report of even date is to be read along with this letter.

8. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.

9. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

10. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

11. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

12. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.

13. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

14. In view of the restrictions imposed by the Government of India on movement of people across India to contain the spread of Covid-19 pandemic, which led to the complete lockdown across the nation, we have relied on electronic data for verification of certain records as the physical verification was not possible.

For Siroya and BA Associates
Company Secretaries

Sd/-

Bhavyata Raval
Partner
ACS No.: 25734
CP No.: 21758
UDIN.:

Date: April 15, 2021
Place: Mumbai

Independent Auditors' Report

To the Members of

Mahindra Insurance Brokers Limited

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

1. Opinion

We have audited the accompanying Ind AS financial statements of Mahindra Insurance Brokers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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 notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2021, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind AS financial statements.

3. Information other than the Ind AS financial statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors Report, Corporate Governance Report and Management Discussion and Analysis, but does not include the Ind AS financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of our auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

4. Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS accounting standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

5. Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Standards on auditing 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 Ind AS financial statements.

As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i) Identify and assess the risks of material misstatement of the Ind AS 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.

ii) Obtain an understanding of internal financial controls 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.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) 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 ability of the Company 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 Ind AS 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.

v) Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

   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.

6. Emphasis of matter

We draw your attention to Note no. 32.4 to the Ind AS financial statement which explain the uncertainties and management's assessment of the financial impact due to the lockdown and other restrictions imposed by the Government and condition related to the COVID-19 pandemic situation, for which definitive assessment of the impact would highly depend upon circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

7. Report on Other Legal and Regulatory Requirements

i) As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

ii) 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 purpose of our audit of Ind AS Financial Statements.

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, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

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 the financial position in its Ind AS financial statements – Refer Note 31 to the Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There has been no delay during the year in transferring the amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W

S. M. Chitale
Partner
M. No. 111383
UDIN : 21111383AAAAEW4676
Date : April 15, 2021
Place : Mumbai

Annexure A to the Independent Auditor's Report of even date on the Ind AS financial statements of Mahindra Insurance Brokers Limited

Referred to in paragraph [7(i)] under Report on Other Legal and Regulatory Requirements of our report of even date

(i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The fixed assets of the company have been physically verified by the Management, in the phased manner during the year. The company is in the process of reconciling the same with the fixed asset register. The discrepancies if any, arising out of reconciliation will be considered in the books of accounts in the period in which the reconciliation is complete.

c) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no immovable properties held in the name of the Company. Accordingly, paragraph 3(i)(c) of the order is not applicable to the Company.

(ii) The company is in the business of providing insurance broking services and does not hold any inventory. Therefore, the provision of paragraph 3(ii) of the said order is not applicable to the Company.

(iii) According to the information and explanations given to us, 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 Act. Accordingly, the provisions of paragraph 3(iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) The Company has not granted any loans or made any investment, or provided any guarantees or security to the parties covered under Section 185. In our opinion, and according to the information and explanations given to us, the company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of loans and investments made, and guarantees and security provided by it, as applicable.

(v) According to information and explanation given to us the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) According to information and explanations given to us by the Company it is not required to maintain cost records as prescribed by the Central Government under section 148 of the Companies Act, 2013. Thus the provisions on this Clause are not applicable to the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a) the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities as per the available records as far as ascertained by us on our verification.

b) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, income-tax, service tax, sales-tax, duty of customs, value added tax, cess and other material statutory dues which are outstanding, at the end, for a period of more than six months from the date they became payable.

c) According to the records of the Company, the dues outstanding of income-tax, sales tax, service tax, duty of customs, value added tax and cess on account of any dispute, are as follows:

Name of the statue	Nature of the dues	Amount (Rs.)	Period to which amount relates	Forum where the dispute is pending
Tax Deducted at Source	Interest on TDS	41,361	F.Y. 2011-12 to F.Y. 2019-2020	Rectification filed with the AO
Tax Deducted at Source	Short deduction of TDS	2,77,899	F.Y. 2011-12 to F.Y. 2019-2020	Rectification filed with the AO

(viii) The Company has not taken any loans or borrowings from the financial institution, banks and government, and has not issued and debentures. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under paragraph 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of books of accounts and as far as records/details made available and verified by us and according to the information and explanations given to us, three instances of fraud by the employee of the Company (Amounting to Rs.19.68 Lakhs, part of which was recovered subsequently by the Company) were reported during the year pertaining to fake policy booking & collection of premium not deposited with the insurance company.

(xi) According to the information and explanations given to us, and based on our verification of records, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the reporting under paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or person connected with them. Accordingly provisions of clause 3 (xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. According the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W

S. M. Chitale
Partner
M. No. 111383
UDIN : 21111383AAAAEW4676
Date : April 15, 2021
Place : Mumbai

Annexure B to the Independent Auditor's Report of even date on the Ind AS financial statements of Mahindra Insurance Broker Limited

Referred to in paragraph [7(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

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

1. We have audited the internal financial controls over financial reporting of Mahindra Insurance Broker Limited ("the Company") as of March 31, 2021 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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. 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 and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

   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

4. 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

5. 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

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W

S. M. Chitale
Partner
M. No. 111383
UDIN : 21111383AAAAEW4676
Date : April 15, 2021
Place : Mumbai

Balance Sheet

as at 31 March 2021

Rs. In lakhs

Particulars	Note No.	As at 31 Mar 2021	As at 31 Mar 2020
I Assets			
1 Non-current assets			
(a) Property, Plant and Equipment	1	**633.67**	941.47
(b) Other Intangible Assets	2	**74.86**	128.43
(c) Right to use assets-Building	21	**1,587.55**	2,073.18
(d) Intangible Assets Under Development		**139.13**	55.68
(e) Financial Assets			
(i) Investments	3	**1,100.00**	3,075.00
(ii) Loans	4	**22,475.00**	16,800.00
(iii) Other Financial Assets	5	**251.62**	381.79
(f) Deferred Tax Assets (net)	6	**587.20**	472.01
(g) Other Non-current Assets	7	**1,184.21**	865.66
Sub-total		**28,033.24**	**24,793.22**
2 Current assets			
(a) Financial Assets			
(i) Investments	3	**9,320.92**	1,664.45
(ii) Trade Receivables	8	**5,823.05**	5,679.77
(iii) Cash and Cash Equivalents	9	**1,179.75**	1,310.24
(iv) Loans	4	**11,865.00**	18,125.00
(v) Other Financial Assets	5	**1,569.99**	1,450.60
(b) Other Current Assets	7	**1,221.08**	1,399.15
Sub-total		**30,979.79**	29,629.21
Total assets		**59,013.03**	**54,422.43**
II Equity and liabilities			
Equity			
(a) Equity Share Capital	10	**1,030.93**	1,030.93
(b) Other Equity	11	**44,473.43**	41,237.30
Sub-total		**45,504.36**	**42,268.23**
Liabilities			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	14	**1,277.44**	1,677.25
(b) Provisions	12	**1,211.55**	1,177.54
Sub-total		**2,488.99**	**2,854.79**
2 Current liabilities			
(a) Financial Liabilities			
(i) Trade Payables			
(a) Micro and small enterprises	13	**5.51**	0.51
(b) Others	13	**6,548.89**	4,959.31
(ii) Other Financial Liabilities	14	**483.29**	516.36
(b) Provisions	12	**2,991.81**	2,935.39
(c) Other Current Liabilities	15	**990.18**	887.84
Sub-total		**11,019.68**	9,299.41
Total equity and liabilities		**59,013.03**	**54,422.43**

The accompanying statement of accounting policies and notes 1 to 33 are an integral part of the Financial Statements.

As per our report of even date attached.
For Mukund M. Chitale & Co.
Chartered Accountants
Firm Regn No. 106655W

For and on behalf of the Board of Directors

Rajeev Dubey
Chairman
DIN: 00104817

Ramesh Iyer
Director
DIN: 00220759

Vivek Karve
Director
DIN: 06840707

Hemant Sikka
Director
DIN: 00922281

Jyotin Mehta
Director
DIN: 00033518

Saurabh M. Chitale
Partner
Membership No. 111383

Anjali Raina
Director
DIN: 02327927

Derek Nazareth
Director
DIN: 07031760

Rajnish Agarwal
Director
DIN: 03335692

Rupa Joshi
Company Secretary
Mem No.: ACS 17395

Saurabh V. Dharadhar
Chief Financial Officer

Place: Mumbai
15 April 2021

Place: Mumbai
15 April 2021

Statement of Profit and Loss

for the year ended 31 March 2021

Rs. In lakhs

	Particulars	Note	Year ended 31 March 2021	Year ended 31 March 2020
I	**Revenue from operations**	16	**23,602.06**	30,482.75
II	Other income	17	**3,253.59**	3,206.13
III	**Total Income (I+II)**		**26,855.65**	**33,688.88**
IV	**Expenses**			
	(a) Employee benefit expense	18	**10,542.09**	12,031.14
	(b) Finance costs	27	**165.70**	183.14
	(c) Depreciation and amortisation expense	1,2,21	**867.81**	893.79
	(d) Other expenses	19	**10,881.77**	13,190.65
	Total Expenses [(a) + (b) + (c)+ (d)]		**22,457.37**	**26,298.72**
V	**Profit before tax (III -IV)**		**4,398.28**	**7,390.16**
VI	**Tax expense :**			
	(1) Current tax	6	**1,322.00**	2,059.00
	(2) Deferred tax	6	**(126.42)**	(5.03)
	(3) Excess provisons of earlier years written back		**-**	-
	Total tax expense [(1) + (2)]		**1,195.58**	**2,053.97**
VII	**Profit for the year (V-VI)**		**3,202.70**	**5,336.19**
VIII	**Other Comprehensive Income**		**33.42**	(222.21)
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit plans		**44.66**	44.66
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**(11.24)**	(11.24)
IX	**Total comprehensive income for the Period (VII+VIII)**		**3236.12**	**5,113.98**
X	**Earnings per equity share**			
	(1) Basic	20	**31.07**	51.76
	(2) Diluted	20	**31.07**	51.76

The accompanying statement of accounting policies and notes 1 to 33 are an integral part of the Financial Statements.

As per our report of even date attached.
For Mukund M. Chitale & Co.
Chartered Accountants
Firm Regn No. 106655W

For and on behalf of the Board of Directors

Rajeev Dubey
Chairman
DIN: 00104817

Ramesh Iyer
Director
DIN: 00220759

Vivek Karve
Director
DIN: 06840707

Hemant Sikka
Director
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Rupa Joshi
Company Secretary
Mem No.: ACS 17395

Saurabh V. Dharadhar
Chief Financial Officer

Place: Mumbai
15 April 2021

Place: Mumbai
15 April 2021

Cash Flow Statement
for the year ended 31 March 2021

Rs. In lakhs

Particulars	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
Cash flows from operating activities			
Profit before tax for the year	PL	**4,398.28**	7,390.16
Adjustments for:			
Investment income recognised in profit or loss		**(3,103.96)**	(3,191.88)
Loss / (Gain) on disposal of property, plant and equipment	19	**1.23**	21.61
Loss/ (Gain) due to change in fair value of investments		**(14.73)**	0.51
Finance Cost		**165.70**	183.14
Impairment loss recognised on trade receivables	8	**189.78**	81.46
Actual outflow of rent		**(600.86)**	(598.92)
Depreciation and amortisation of Property Plant & Equipment	1 & 2	**867.81**	893.80
		1,903.25	**4,779.88**
Movements in working capital:			
(Increase)/decrease in trade and other receivables		**(333.06)**	1,845.89
(Increase)/decrease in other assets		**237.64**	(137.62)
(Decrease)/increase in trade and other payables		**1,599.75**	409.38
Increase/(decrease) in provisions		**90.45**	1,427.21
(Decrease)/increase in other liabilities		**92.55**	(443.36)
		1,687.33	**3,101.50**
Cash generated from operations		**3,590.58**	7,881.38
Income taxes paid		**(1,648.55)**	(2,693.92)
Net cash generated by operating activities		**1,942.03**	**5,187.46**
Cash flows from investing activities			
Interest received	5	**3,042.45**	2,955.15
Amounts advanced to related parties		**(25,440.00)**	(38,375.00)
Repayments by related parties		**26,025.00**	33,250.00
Amounts advanced - other investments		**(29,591.45)**	(14,030.00)
Repayments - other investments		**23,997.00**	13,075.00
Payments for property, plant and equipment		**(32.67)**	(330.58)
Proceeds from disposal of property, plant and equipment	1	**26.70**	17.45
Payments for intangible assets/intangible assets under developments		**(99.55)**	(70.48)
Net cash (used in)/generated by investing activities		**(2,072.52)**	**(3,508.46)**
Cash flows from financing activities			
Expenses for issue of bonus shares		-	-
Dividends paid to owners of the Company		-	(932.12)
Net cash (used in) / generated from financing activities		**-**	**(932.12)**
Net increase / (decrease) in cash and cash equivalents		**(130.49)**	746.88
Cash and cash equivalents at the beginning of the year		**1,310.24**	563.36
Cash and cash equivalents at the end of the year		**1,179.75**	**1,310.24**

Note:

The above cash flow statement has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS 7)- Statement of Cash Flows

The accompanying statement of accounting policies and notes 1 to 33 are an integral part of the Financial Statements.

As per our report of even date attached.
For Mukund M. Chitale & Co.
Chartered Accountants
Firm Regn No. 106655W

For and on behalf of the Board of Directors

Rajeev Dubey
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Company Secretary
Mem No.: ACS 17395

Saurabh V. Dharadhar
Chief Financial Officer

Place: Mumbai
15 April 2021

Place: Mumbai
15 April 2021

Statement of Changes in Equity

for the year ended 31 March 2021

A. Equity share capital

Rs. In lakhs

Particulars	Amount
As at 1 April 2019	1,030.93
Changes in equity share capital during the year	-
As at 31 March 2020	**1,030.93**
As at 1 April 2020	1,030.93
Changes in equity share capital during the year	-
As at 31 March 2021	**1,030.93**

B. Other Equity

Rs. In lakhs

	Reserves and Surplus			Items of other comprehensive income	
	Securities Premium	General Reserve	Retained Earnings	Remeasurement (loss) / gain (net) on defined benefit plans	Total
As at 1 April 2019	**1,589.50**	**1,658.43**	**33,999.37**	**(191.84)**	**37,055.46**
Profit / (Loss) for the year	-	-	5,336.19	-	5,336.19
Other Comprehensive Income / (Loss)			-	(222.21)	(222.21)
Dividend paid on Equity Shares	-	-	(773.20)	-	(773.20)
Dividend Distribution Tax	-	-	(158.93)	-	(158.93)
As at 1 April 2020	**1,589.50**	**1,658.43**	**38,403.42**	**(414.05)**	**41,237.30**
Profit / (Loss) for the year			3,202.70	-	3,202.71
Other Comprehensive Income / (Loss)			-	33.42	33.42
Dividend paid on Equity Shares	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Transfers from retained earnings	-	-	-	-	-
As at 31 March 2021	**1,589.50**	**1,658.43**	**41,606.12**	**(380.63)**	**44,473.43**

The accompanying statement of accounting policies and notes 1 to 33 are an integral part of the Financial Statements.

As per our report of even date attached.
For Mukund M. Chitale & Co.
Chartered Accountants
Firm Regn No. 106655W

For and on behalf of the Board of Directors

Rajeev Dubey
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DIN: 00104817

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Rupa Joshi
Company Secretary
Mem No.: ACS 17395

Saurabh V. Dharadhar
Chief Financial Officer

Place: Mumbai
15 April 2021

Place: Mumbai
15 April 2021

Notes

forming part of the Financial Statements for the year ended 31 March 2021

1 Company overview

Mahindra Insurance Brokers Limited is a Public Limited Company incorporated and domiciled in India. The Company's registered office is at Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018. The Company is primarily involved in the business of rendering insurance broking services.

The immediate parent Company is Mahindra & Mahindra Financial Services Limited and ultimate parent Company is Mahindra & Mahindra Limited, a company incorporated in Mumbai, India.

2 Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the schedule III of the Act. Based on nature of services and the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabiities.

The financial statements of the Company for the year ended March 31, 2021 were approved for issue by the Company's Board of Directors on April 15, 2021.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All amounts are rounded-off to the nearest lacs, unless otherwise indicated.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
- Certain financial assets and liabilities which are generally derivative instruments	Fair value
- Liabilities for cash-settled share-based payment arrangements	Fair value
- Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

d. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has established policies and procedures with respect to the measurement of fair values. The Chief Financial Officer and person entrusted has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, including assessments that these valuations meet the requirements of Ind AS. Significant valuation issues are reported to audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilties.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset ot liability that are not based on observable market data (unobservable inputs).

e. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and

Notes

forming part of the Financial Statements for the year ended 31 March 2021

expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Assumptions and estimation uncertainties

Following are areas that involved a higher degree of judgement or complexity in determining the carrying amount of some assets and liabilities. Detailed information about each of these estimates and judgements that have a significant risk of resulting in material adjustment in the year ending March 31, 2021 is included in relevant notes.

- Estimation of current tax expense and payable
- Estimated useful life of property, plant and equipments
- Estimated useful life of intangible assets
- Estimation of defined benefit obligation
- Impairment of trade receivables
- Impairment of financial assets
- Estimation of shared based payments

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

3 Significant accounting policies

a. Property, plant and equipment :

Recognition and measurement

All the items classified under property plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located.

When significant parts of an item of property, plant and equipment have different useful lives, they are depreciated for as separate items (major components) of property, plant and equipment.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within statement of profit and loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives as specified in the Schedule II of the Act or estimated by the management using straight-line method and is generally recognised in the statement of profit and loss except:

i. Motor cars where useful life is estimated at 4 years as against 8 years per Schedule II since the employees to whom these cars have been allotted as part of their terms of employment are entitled to change their vehicles every four years, and

ii. Property Plant & Equipmnets having value individually less than INR 5000 where useful life is estimated at less than one year having regard to the nature of these assets and the difficulty in estimating the useful life.

Further, residual value for all assets is considered Nil having regard to the difficulty in reasonably estimating the same and, in the case of motor cars, having regard to terms of employment under which these are allotted to the employees.

Notes

forming part of the Financial Statements for the year ended 31 March 2021

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Class of asset	Year ended 31 March 2021	Year ended 31 March 2020
Plant and equipment (including Computers)	**2-6 years**	2-6 years
Office equipments	**5 years**	5 years
Furniture and fixtures	**10 years**	10 years
Leasehold Premises	**Over the period of lease**	Over the period of lease
Vehicles	**4 years**	4 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. The effect of change in estimate of useful life is accounted on prospective basis

b. Intangible Assets :

Intangible Assets are initially recognised at cost.

Amortisation

Subsequent to initial recognition, intangible assets with indefinite useful lives are carried at cost less accumalated amortisation and accumaltated impairement, if any. Amortisation of intangible assets with finite useful lives is calculated on cost of intangible assets less their estimated residual values over their estimated useful lives using straight-line method and is generally recognised in the statement of profit and loss.

The estimated useful lives for the current and comparative periods are as follows:

Class of assets	Year ended 31 March 2021	Year ended 31 March 2020
Computer software	**3 years**	3 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. The effect of change in estimate of useful life is accounted on prospective basis.

Intangible assets under development

The Company capitalizes intangible asset under development in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

c. Impairment of assets other than financial assets :

Impairment of tangible and intangible assets other than goodwill

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and

Notes

forming part of the Financial Statements for the year ended 31 March 2021

whenever there is an indication that the asset may be impaired.

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

d. Foreign currency :

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are generally recognised in statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

e. Financial instruments :

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial 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 of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- fair value through other comprehensive income (FVOCI) - debt investment;
- fair value through other comprehensive income (FVOCI) - equity investment;
- fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that

Notes

forming part of the Financial Statements for the year ended 31 March 2021

are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (designated as FVOCI - equity investment). This election is made on investment-by-investment basis.

All financial asset not classified as measured at amortised cost or FVOCI as described above are measured at fair value through profit or loss (FVTPL). This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the "Other income" line item.

Investments in equity instruments at FVTOCI On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified in the statement of profit and loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee

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

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading (see note above). Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates

Notes

forming part of the Financial Statements for the year ended 31 March 2021

or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost are susequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain and loss derecognition is recognised in profit or loss.

Debt investment at FVOCI are susequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclssified to profit or loss.

Equity investment at FVOCI are are susequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial assets at FVTPL are susequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. The dividends on mandatorily redeemable preference shares are recognised in profit or loss as interest expense. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Compound financial instruments

The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a

Notes

forming part of the Financial Statements for the year ended 31 March 2021

liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset).

Conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to [share premium/other equity [describe]]. Where the conversion option remains unexercised at the maturity date of the convertible instrument, the balance recognised in equity will be transferred to [retained profits/other equity. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Impairment of financial instruments

The Company recognises a loss allowance for expected credit losses (ECL) on:

- Financial assets measured at amortised cost;
- Financial assets measured at FVOCI - debt investments;

The Company always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using

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a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.For debt securities at FVOCI, the loss allowance is recognised in OCI and carrying amount of the financial asset is not reduced in the balance sheet.

f. Revenue Recognition :

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are exclusive of GST and net of revenue on policy cancellations and endorsements.

Rendering of services

Brokerage Income, Handling Charges & Broker Retainer Fees is accounted for net of GST amount on rendition of services. Brokerage income is recognized on receiving details of the policy issued by the insurance company or receipt of brokerage whichever is earlier. The Company recognises revenue from rendering of consultancy services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed based on surveys of work performed.

Dividend and interest income

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

g. Employee benefits:

Superannuation Fund, ESIC and Labour Welfare Fund

The Company's contribution paid/payable during the year to Superannuation Fund, ESIC and Labour Welfare Fund are recognised in statement of profit and loss.

Provident Fund

Contributions to Provident Fund are charged to the statement of profit and loss as incurred. The Company is liable for the contribution and any shortfall in interest between the amount of interest realised by the investments and the interest payable to the members at the rate declared by the Government of India.

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Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Compensated Absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by acturial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid or availed as a result of the unused entitllement that has accumulated at the balance sheet date. Expense on non accumulating compensated absences is recognised in the period in which the absences occur.

Cash settled share based payments

Cash Settled Share Based Payments, the fair value of the amount payable to employees is recognized as 'employee benefit expenses with corresponding increase in liabilities, over the period of non market vesting conditions getting fulfilled. The fair value of the option at the grant date is calculated by an independent valuer basis Black Scholes model. The Liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognized in employee benefit expenses.

h. Taxation :

Income tax expense comprises current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises expected tax payable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is entended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a

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business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Minimum Alternate Tax (MAT)

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised. Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

i. Provisions, Contingent Liabilities and Contingent Assets :

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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j. Leasing :

The company has applied Ind AS 116 using the modified retrospective approach.

As a Lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'other financial liabilities' in the statement of financial position. (Refer Schedule nos. 14 and 21)

k. Segment Reporting

Operating Segments are reported consistently with the internal reporting provided to the Managing Director. The highest decision making executive is reposnsible for allocating resources to and assessing the performance of the operating segments. The highest decision making body is Managing Director.

l. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average numbers of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Note No. 1 - Property, Plant and Equipment

Rs. In lakhs

Description of Assets	Plant and Equipment (including computers)	Leasehold Improvements	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Carrying Amount						
Balance as at 1 April 2020	**691.42**	**214.42**	**251.12**	**145.20**	**732.71**	**2,034.87**
Additions	1.63	-	0.45	-	30.59	32.67
Disposals	33.22	-	14.10	3.42	65.00	115.74
Balance as at 31 Mar 2021	**659.83**	**214.42**	**237.47**	**141.78**	**698.30**	**1,951.80**
II. Accumulated depreciation and impairment						
Balance as at 1 April 2020	**546.52**	**35.19**	**116.28**	**49.58**	**345.83**	**1,093.40**
Depreciation expense for the year	85.81	25.15	41.72	12.94	146.89	312.51
Eliminated on disposal of assets	33.22	-	13.86	3.25	37.45	87.78
Balance as at 31 Mar 2021	**599.11**	**60.34**	**144.14**	**59.27**	**455.27**	**1,318.13**
III. Net carrying amount (I-II)	**60.72**	**154.08**	**93.33**	**82.51**	**243.03**	**633.67**

Rs. In lakhs

Description of Assets	Plant and Equipment (including computers)	Leasehold Improvements	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Carrying Amount						
Balance as at 1 April 2019	**648.32**	**177.81**	**248.50**	**149.66**	**583.06**	**1,807.35**
Additions	45.52	36.61	6.86	0.56	241.04	330.59
Disposals	2.42	-	4.24	5.02	91.39	103.07
Balance as at 31 Mar 2020	**691.42**	**214.42**	**251.12**	**145.20**	**732.71**	**2,034.87**
II. Accumulated depreciation and impairment						
Balance as at 1 April 2019	**457.13**	**10.05**	**75.55**	**41.57**	**277.79**	**862.09**
Depreciation expense for the year	91.81	25.14	43.75	12.99	144.57	318.26
Eliminated on disposal of assets	2.42	-	3.02	4.98	76.53	86.95
Balance as at 31 Mar 2020	**546.52**	**35.19**	**116.28**	**49.58**	**345.83**	**1,093.40**
III. Net carrying amount (I-II)	**144.90**	**179.23**	**134.84**	**95.62**	**386.88**	**941.47**

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Note No. 2 - Other Intangible Assets

Rs. In lakhs

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at 1 April 2020	**291.16**	**291.16**
Additions from separate acquisitions	**16.10**	**16.10**
Disposals	-	-
Balance as at 31 Mar 2021	**307.26**	**307.26**
II. Accumulated depreciation and impairment		
Balance as at 1 April 2020	**162.73**	**162.73**
Amortisation expense for the year	**69.67**	**69.67**
Disposals	-	-
Balance as at 31 Mar 2021	**232.40**	**232.40**
III. Net carrying amount (I-II)	**74.86**	**74.86**

Rs. In lakhs

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at 1 April 2019	242.02	242.02
Additions from separate acquisitions	94.22	94.22
Disposals	45.08	45.08
Balance as at 31 Mar 2020	291.16	291.16
II. Accumulated depreciation and impairment		
Balance as at 1 April 2019	99.04	99.04
Amortisation expense for the year	85.82	85.82
Disposals	22.13	22.13
Balance as at 31 Mar 2020	162.73	162.73
III. Net carrying amount (I-II)	**128.43**	**128.43**

Note No. 3 - Investments

Rs. In lakhs

Particular	As at 31 March 2021		As at 31 March 2020	
	Amounts Current	Amounts Non Current	Amounts Current	Amounts Non Current
Investments Carried at Amortised Cost				
Investment in Fixed Deposits with Mahindra & Mahindra Financial Services Limited	7,350.00	1,100.00	-	3,075.00
TOTAL INVESTMENTS CARRIED AT AMORTISED COST	**7,350.00**	**1,100.00**	**-**	**3,075.00**
Investments Carried at Fair Value Through Profit and Loss				
Quoted investments				
Investments in Mutual Funds	1,970.92	-	1,664.45	-
TOTAL INVESTMENTS CARRIED AT FAIR VALUE	1,970.92	-	**1,664.45**	**-**
TOTAL INVESTMENTS	**9,320.92**	**1,100.00**	**1,664.45**	**3,075.00**

Rs. In lakhs

Investments in Mutual Funds	As at 31 March 2021		As at 31 March 2020	
Particular	Units	Rs. In lakhs	Units	Rs. In lakhs
Mahindra Liquid Fund-Reg DD	-	-	166,352.118	1,664.45
Mahindra Manulife Liquid Reg-G	148,274.552	1,970.92	-	-
Total	**148,274.552**	**1,970.92**	**166,352.118**	**1,664.45**
Quoted				
Aggregate book value		1,956.70		1,664.96
Aggregate market value		1,970.92		1,664.45
Unquoted				
Aggregate book value		-		-

Notes

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Note No. 4 - Loans

Rs. In lakhs

Particular	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
Loans to related parties (Refer Note Below)				
- Unsecured, considered good	11,865.00	22,475.00	18,125.00	16,800.00
TOTAL LOANS	**11,865.00**	**22,475.00**	**18,125.00**	**16,800.00**

Note: Intercorporate Deposits (ICDs) placed with related parties.

Rs. In lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
ICDs with Mahindra & Mahindra Financial Services Limited	400.00	2,125.00
ICDs with Mahindra Rural Housing Finance Limited	33,940.00	32,800.00
Total	**34,340.00**	**34,925.00**

The above Intercorporate Deposits have been given for general business purpose of the receipient.

Note No. 5 - Other financial assets

Rs. In lakhs

Particular	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
Financial assets at amortised cost				
Interest Accrued but not due*	1,569.74	94.48	1,450.35	224.65
Security Deposits	-	97.14	-	97.14
Bank Deposit with more than 12 months maturity	-	60.00	-	60.00
Others	0.25	-	0.25	-
TOTAL	**1,569.99**	**251.62**	**1,450.60**	**381.79**

The Bank Deposit with more than 12 months maturity is under lien to the IRDAI as per the IRDAI (Insurance Brokers) Regulations 2018.

* Including interest accrued from related parties of Rs.1,661.38 Lakhs (PY: Rs.1,666.61 lakhs)

Note No. 6 - Current Tax and Deferred Tax

(a) Income Tax recognised in profit or loss

Rs. In lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current Tax:		
In respect of current year	1,322.00	2,059.00
In respect of prior years	-	-
	1,322.00	2,059.00
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	(126.42)	(5.03)
	(126.42)	(5.03)
Total income tax expense	**1,195.58**	**2,053.97**

Notes

forming part of the Financial Statements for the year ended 31 March 2021

(b) Income Tax recognised in other comprehensive income

Rs. In lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current Tax:		
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	(11.24)	74.74
Unrecognised tax loss used to reduce current tax expense	-	-
Others		
	(11.24)	74.74
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	(11.24)	74.74
Total income tax expense	**(11.24)**	**74.74**

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Rs. In lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Profit before tax	4,398.28	7,390.16
Income tax expense calculated at 25.17%	1,107.05	1,860.10
Effect of expenses that is non-deductible in determining taxable profit	298.39	432.17
Effect of tax incentives and concessions (other allowances)	(209.86)	(238.30)
Income tax expense recognised In profit or loss	**1,195.58**	**2,053.97**

(d) Movement in deferred tax balances

Rs. In lakhs

Particular	For the year ended 31 March 2021			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Employee Benefits	309.16	16.75	(11.24)	314.67
Property, Plant and Equipment	89.87	32.83	-	122.70
Amortization and Interest in respect of lease payments	18.61	(5.90)	-	12.71
Provisions	54.38	82.74	-	137.12
	472.02	126.42	(11.24)	587.20
Net Tax Asset (Liabilities)	**472.02**	**126.42**	**(11.24)**	**587.20**

Rs. In lakhs

Particular	For the year ended 31 March 2020			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Employee Benefits	251.16	(16.74)	74.74	309.16
Property, Plant and Equipment	65.92	23.95	-	89.87
Amortization and Interest in respect of lease payments	-	18.61	-	18.61
Provisions	75.17	(20.80)	-	54.37
	392.25	5.03	74.74	472.01
Net Tax Asset (Liabilities)	**392.25**	**5.03**	**74.74**	**472.01**

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Note No. 7 - Other assets

Rs. In lakhs

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
(a) Advances other than capital advances				
(i) Earnest Money Deposit	0.15	-	0.15	-
(ii) Balances with government authorities (other than income taxes)	708.47	-	814.32	-
(iii) Other assets	512.46	0.98	584.68	1.23
(b) Capital Advance	-	-	-	7.74
(c) Advance payment of tax	-	1,183.23	-	856.69
Total Other Assets	**1,221.08**	**1,184.21**	**1,399.15**	**865.66**

Note No. 8 - Trade receivables

Rs. In lakhs

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
	Current	Current
Trade receivables		
(a) Secured, considered good	-	-
(b) Unsecured, considered good	5,823.05	5,679.77
(c) Significant increase in credit risk	-	-
(d) Credit Impaired	380.99	191.21
Less: Allowance for Expected Credit Loss	380.99	191.21
TOTAL	**5,823.05**	**5,679.77**
Of the above, trade receivables from:		
- Related Parties	1,267.00	1,271.61
- Others	4,556.05	4,408.16
Total	**5,823.05**	**5,679.77**

Note No. 9 - Cash and Bank Equivalents

Rs. In lakhs

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
Cash and cash equivalents		
(a) Balances with banks	1,163.97	1,297.76
(b) Cash on hand	15.78	12.48
Total Cash and cash equivalent	**1,179.75**	**1,310.24**

Note No. 10 - Equity Share Capital

Rs. In lakhs

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Rs. in lakhs	No. of shares	Rs. in lakhs
Authorised:				
Equity shares of Rs. 10/- each with voting rights	15,000,000	1,500.00	15,000,000	1,500.00
Issued, Subscribed and Fully Paid:				
Equity shares of Rs. 10/- each with voting rights	10,309,280	1,030.93	10,309,280	1,030.93
Total	**10,309,280**	**1,030.93**	**10,309,280**	**1,030.93**

Notes

forming part of the Financial Statements for the year ended 31 March 2021

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the Period.

Particulars	Opening Balance	Fresh Issue	Bonus	ESOP	Closing Balance
(a) Equity Shares with Voting rights*					
Year ended 31 March 2021					
No. of Shares	10,309,280	-	-	-	10,309,280
Amount (Rs. in lakhs)	1,030.93	-	-	-	1,030.93
Year ended 31 March 2020					
No. of Shares	10,309,280	-	-	-	10,309,280
Amount (Rs. In lakhs)	1,030.93	-	-	-	1,030.93

*Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing annual general meeting. Further, the Board of Directors may also announce an interim dividend which would need to be confirmed by the shareholders at the forthcoming Annual General Meeting. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

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

Particulars	No. of Shares		
	Equity Shares with Voting rights	Equity Shares with Differential Voting rights	Others
As at 31 March 2021			
Mahindra and Mahindra Financial Services Limited, the Holding Company	8,247,424	-	-
As at 31 March 2020			
Mahindra and Mahindra Financial Services Limited, the Holding Company	8,247,424	-	-

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

Class of shares / Name of shareholder	**As at 31 March 2021**		As at 31 March 2020	
	Number of shares held	**% holding in that class of shares**	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mahindra and Mahindra Financial Services Limited	**8,247,424**	**80%**	8,247,424	80%
Inclusion Resource Pte Limited	**2,061,856**	**20%**	2,061,856	20%

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Note No. 11 - Other Equity

Description of the Nature and Purpose of Other Equity

Securities Premium: The securities premium is used to record the premium on issue of shares. The reserve can be utilized in accordance with the provisions of Companies Act, 2013.

General Reserve: The general reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed / utilized in accordance with the provisions of Companies Act, 2013.

Rs. In lakhs

	Reserves and Surplus			Items of other comprehensive income	
	Securities Premium	General Reserve	Retained Earnings	Remeasurement (loss) / gain (net) on defined benefit plans	Total
As at 1 April 2019	1,589.50	1,658.43	33,999.37	(191.84)	37,055.46
Profit / (Loss) for the year	-	-	5,336.19	-	5,336.19
Other Comprehensive Income / (Loss)			-	(222.21)	(222.21)
Total Comprehensive Income for the year	-	-	5,336.19	(222.21)	5,113.98
Dividend paid on Equity Shares	-	-	(773.20)		(773.20)
Dividend Distribution Tax	-	-	(158.93)		(158.93)
Transfers to Reserves	-	-			-
Transfers from retained earnings	-	-	-		-
As at 1 April 2020	**1,589.50**	**1,658.43**	**38,403.43**	**(414.05)**	**41,237.31**
Profit / (Loss) for the year			3,202.71		3,202.71
Other Comprehensive Income / (Loss)			-	33.42	33.42
Total Comprehensive Income for the year	-	-	3,202.71	33.42	3,236.13
Dividend paid on Equity Shares			-		-
Dividend Distribution Tax			-		-
Transfers to Reserves			-		-
Transfers from retained earnings (Issue of bonus shares and related expenses)			-		-
As at 31 March 2021	**1,589.50**	**1,658.43**	**41,606.14**	**(380.63)**	**44,473.44**

Details of dividend paid/proposed

Rs. In lakhs

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
Cash dividends on equity shares declared and paid		
Final dividend for the year ended on 31 March 2020: Rs. NIL per share (31 March 2019: Rs 7.50 per share)	-	773.20
Dividend Distribution Tax on final dividend	-	158.93
	-	**932.13**
Proposed dividends on Equity shares		
Final dividend for the year ended on 31 March 2021: Rs.3.00 per share (31 March 2020: Rs. NIL per share)	**309.28**	-
Dividend Distribution Tax on proposed dividend	-	-
	309.28	**-**

Proposed dividends on equity shares are subject to approval in annual general meeting and are not recognised as a liability as at 31 March.

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Note No. 12 - Provisions

Rs. In lakhs

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
(a) Provision for employee benefits				
- Grautuiy	83.53	529.29	74.37	548.60
- Leave Encashment	103.20	682.26	93.21	628.94
- Others	2,788.95	-	2,751.68	-
Other Provisions				
- Provision for tax (net of advance tax paid)	16.13	-	16.13	-
Total Provisions	**2,991.81**	**1,211.55**	**2,935.39**	**1,177.54**

Note No. 13 - Trade Payables

Rs. In lakhs

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
Payables		
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises#	5.51	0.51
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises**	6,548.89	4,959.31
(II) Other Payables	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
Total	**6,554.40**	**4,959.82**

On the basis of confirmations received from parties

** Including amount payable to related parties of Rs.58.62 Lakhs (PY: Rs.34.15 lakhs)

Note No. 14 - Other Financial Liabilities

Rs. In lakhs

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
Other Financial Liabilities Measured at Amortised Cost				
(i) Other liabilities				
(1) Others	48.78	-	46.50	-
(2) Lease liability-building (Note 24)	434.51	1,277.44	469.86	1,677.25
Total other financial liabilities	**483.29**	**1,277.44**	**516.36**	**1,677.25**

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Note No. 15 - Other Liabilities

Rs. In lakhs

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
Statutory dues				
- taxes payable (other than income taxes)	601.23	-	639.08	-
- Employee Recoveries and Employer Contributions	388.95	-	248.76	-
TOTAL OTHER LIABILITIES	**990.18**	**-**	**887.84**	**-**

Note No. 16 - Revenue from Operations

Rs. In lakhs

Particulars	Year ended 31 Mar 2021	Year ended 31 Mar 2020
Revenue from rendering of services		
Brokerage	16,524.50	17,718.13
Broker retainer fees	3,802.70	6,865.89
Handling charges	3,241.35	5,799.83
Consultancy fees	33.51	98.90
Total Revenue from Operations	**23,602.06**	**30,482.75**

Note No. 17 - Other Income

Rs. In lakhs

Particulars	Year ended 31 Mar 2021	Year ended 31 Mar 2020
(a) Interest Income		
- On Financial Assets at Amortised Cost	3,031.67	3,144.85
(b) Dividend Income		
- On Financial Assets Fair Value through Profit or Loss	10.03	46.96
(c) Miscellaneous Income	17.81	1.59
(d) Capital Gain on redemption of mutual funds	62.26	0.06
(e) Profit due to change in fair value of investments	14.22	-
(f) Gain on foreign exchange	2.85	12.67
(g) Rent Concessions (on account of Covid-19)*	114.75	-
Total Other Income	**3,253.59**	**3,206.13**

*shown separately as required as per notification no.359 issued by Ministry of Corporate Affairs dated July 24, 2020.

Note No. 18 - Employee Benefits Expense

Rs. In lakhs

Particulars	Year ended 31 Mar 2021	Year ended 31 Mar 2020
(a) Salaries and wages, including bonus*	8,843.47	8,615.32
(b) Contribution to provident and other funds	488.33	463.14
(c) Gratuity Expenses	176.38	118.73
(d) Share based payment transactions expenses		
- Cash-settled share-based payments	1,007.12	2,613.01
(e) Staff welfare expenses	26.79	220.94
Total Employee Benefit Expense	**10,542.09**	**12,031.14**

* Including payments to Key Mangerial Person of Rs. 294.44 lakhs (PY: Rs. 459.16 lakhs)

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Cash-settled share-based payments

In respect of the Cash-settled share-based payments, Employee Stock Options (ESOS) of the ultimate holding company Mahindra & Mahindra Limited and the holding company Mahindra & Mahindra Financial Services Limited (MMFSL) are issued to eligible employees of the Company. The Company makes the necessary payment to the respective Ultimate holding company and holding company. Further refer Note No. 27 for Employees Phantom Stock Option Plan 2019

Note No. 19 - Other Expenses

Rs. In lakhs

	Particulars	Year ended 31 Mar 2021	Year ended 31 Mar 2020
(a)	Distribution fees*	7,169.16	8,195.60
(b)	Power & fuel	36.82	89.01
(c)	Rates and taxes	7.27	37.90
(d)	Insurance	373.08	399.67
(e)	Postage, Telephone and Communication	151.40	106.12
(f)	Software Charges	6.84	2.08
(g)	Repairs - Others	95.29	106.76
(h)	Administration Support Charges	188.11	175.62
(i)	Manpower Contracting Charges	636.30	644.53
(j)	Advertisement	-	4.02
(k)	Sales promotion expenses	369.00	164.00
(l)	Travelling and Conveyance Expenses	256.87	840.18
(m)	Expenditure on corporate social responsibilty (CSR) under section 135 of the Companies Act, 2013. (Note 32.3)	180.71	185.20
(n)	Provision for doubtful trade and other receivables	189.78	338.24
(o)	Auditors remuneration and out-of-pocket expenses	13.08	13.37
	(i) As Auditors	5.00	5.00
	(ii) For Other services (Limited Review and Certification)	8.00	8.00
	(iii) For reimbursement of expenses	0.08	0.37
(p)	Directors' Commission	171.27	142.70
(q)	Directors' Sitting Fees	11.20	7.10
(r)	Legal and other professional costs	412.66	518.02
(s)	Loss on sale of property, plant and equipments	1.23	21.61
(t)	Loss due to change in fair value of investments	-	0.51
(u)	Miscellaneous expenses	611.70	1,198.41
Total Other Expenses		**10,881.77**	**13,190.65**

*Distribution fees are the payments made to Motor Insurance Service Providers (Automotive Dealers) as per the Guidelines issued under section 34 of the Insurance Act, 1938 and section 14 of the IRDA Act, 1999 on Motor Insurance Service Provider with effect from 1st November 2017

Note No. 20 - Earnings per Share

Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
	Per Share	Per Share
Basic Earnings per share	31.07	51.76
Diluted Earnings per share	31.07	51.76

Equity shares of Rs. 10/- each with voting rights

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Rs. In lakhs

Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Profit / (loss) for the year attributable to owners of the Company	3,202.70	5,336.19
Less: Preference dividend and tax thereon		
Profit / (loss) for the year used in the calculation of basic earnings per share	3,202.70	5,336.19
Weighted average number of equity shares (nos)	10,309,280	10,309,280
Earnings per share - Basic (₹)	31.07	51.76

Diluted earnings per share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock options and Convertible bonds for the respective Periods, if any.

Rs. In lakhs

Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Profit / (loss) for the year used in the calculation of basic earnings per share	3,202.70	5,336.19
Add: Adjustments, if any	-	-
Profit / (loss) for the year used in the calculation of diluted earnings per share	3,202.70	5,336.19
Profits used in the calculation of diluted earnings per share	3,202.70	5,336.19

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Weighted average number of equity shares used in the calculation of Basic EPS	10,309,280	10,309,280
Add: Effect of Warrants, if any	-	-
ESOPs, if any	-	-
Convertible bonds, if any	-	-
Others if any	-	-
Weighted average number of equity shares used in the calculation of Diluted EPS	10,309,280	10,309,280

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Note No. 21 (a) : Right to use assets-Building

Rs. In lakhs

Description of Assets	Right to use assets-Building	Total
I. Gross Carrying Amount		
Balance as at 1 April 2020	**2,562.89**	2,562.89
Reclassifciation on account of adoption of Ind AS 116	-	-
Additions	-	-
Balance as at 31 Mar 2021	**2,562.89**	2,562.89
II. Accumulated depreciation and impairment		
Balance as at 1 April 2020	**489.71**	489.71
Amortisation expense for the year	**485.63**	485.63
Balance as at 31 Mar 2021	**975.34**	975.34
III. Net carrying amount (I-II)	**1,587.55**	1,587.55

Rs. In lakhs

Description of Assets	Right to use assets-Building	Total
I. Gross Carrying Amount		
Balance as at 1 April 2019	-	-
Reclassifciation on account of adoption of Ind AS 116	-	-
Additions	**2,562.89**	2,562.89
Balance as at 31 Mar 2020	**2,562.89**	2,562.89
II. Accumulated depreciation and impairment		
Balance as at 1 April 2019	-	-
Amortisation expense for the year	**489.71**	489.71
Balance as at 31 Mar 2020	**489.71**	489.71
III. Net carrying amount (I-II)	**2,073.18**	2,073.18

21 (b) : Depreciation & Amortisation Expenses

Rs. In lakhs

Depreciation & Amortisation Expenses	Year ended 31 Mar 2021	Year ended 31 Mar 2020
Tangible Assets (Note 1)	**312.51**	318.26
Intangible Assets (Note 2)	**69.67**	85.82
Right to use asset - Building	**485.63**	489.71
Total	**867.81**	**893.79**

Note No. 22 - Financial Instruments

Capital management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position. The Company is subject to minimum capital requirements as stipulated by the IRDAI (Insurance Brokers) Regulations, 2018.

The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Rs. In lakhs

	31-Mar-21	31-Mar-20
Equity	45,504.36	42,268.23
Less: Cash and cash equivalents	-1,179.75	-1,310.24
	44,324.61	40,957.99

Categories of financial assets and financial liabilities

Rs. In lakhs

As at 31 March 2021	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	1,100.00	-	-	1,100.00
Loans	22,475.00	-	-	22,475.00
Other Financial Assets	251.62	-	-	251.62
Current Assets				
Investments	7,350.00	1,970.92	-	9,320.92
Trade Receivables	5,823.05	-	-	5,823.05
Cash & Cash Equivalents	1,179.75	-	-	1,179.75
Loans	11,865.00	-	-	11,865.00
Other Financial Assets	1,569.99	-	-	1,569.99
Non-current Liabilities				
Other Financial Liabilities	1,277.44			1,277.44
Current Liabilities				
Trade Payables	6,554.40	-	-	6,554.40
Other Financial Liabilities	483.29	-	-	483.29

Rs. In lakhs

As at 31 March 2020	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	3,075.00	-	-	3,075.00
Loans	16,800.00			16,800.00
Other Financial Assets	381.79	-	-	381.79
Current Assets				
Investments	-	1,664.45	-	1,664.45
Trade Receivables	5,679.77	-	-	5,679.77
Cash & Cash Equivalents	1,310.24	-	-	1,310.24
Loans	18,125.00	-	-	18,125.00
Other Financial Assets	1,450.60	-	-	1,450.60
Non-current Liabilities				
Other Financial Liabilities	1,677.25			1,677.25
Current Liabilities				
Trade Payables	4,959.82	-	-	4,959.82
Other Financial Liabilities	516.36	-	-	516.36

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

Credit risk

(i) Credit risk management

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company.

Trade receivables consist of institutional customers, largely insurance companies. The Company deals only with those insurance companies who have obtained an acceptable level of credit rating. The Company does not have significant credit risk exposure to any single external counterparty. Out of total outstanding 22% of the debtors are pertaining to group companies.

The credit risk on liquid funds invested in Fixed Deposits with companies and Intercorporate Deposits is limited because the counterparties are group companies.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the expected loss provision for all trade receivables. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

There is no change in estimation techniques or significant assumptions during the reporting period.

The loss allowance provision is determined as follows:

Rs. In lakhs

As at 31 March 2021	Not due	Less than 6 months past due	More than 6 months past due	Total
Gross carrying amount		5,816.34	387.70	6,204.04
Loss allowance provision		20.50	360.49	380.99
		5,795.84	27.21	5,823.05

Rs. In lakhs

As at 31 March 2020	Not due	Less than 6 months past due	More than 6 months past due	Total
Gross carrying amount		5,482.16	388.82	5,870.98
Loss allowance provision		17.19	174.02	191.21
		5,464.97	214.80	5,679.77

Reconciliation of loss allowance provision for Trade Receivables

Rs. In lakhs

Particulars	31-Mar-21	31-Mar-20
Balance as at beginning of the year	191.21	109.75
Impairment losses recognised in the year based on lifetime expected credit losses		
- On receivables originated in the year	189.78	81.46
Impairment losses recognised in the year based on 12 month expected credit losses		
- On receivables originated in the year		
Balance at end of the year	**380.99**	**191.21**

The loss allowance provision has changed during the period due to delays in recovery of brokerage on insurance contracts brokered.

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Liquidity risk

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Rs. In lakhs

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities				
31-Mar-21				
Non-interest bearing	7,037.69	-	-	-
Total	**7,037.69**	**-**	**-**	**-**
31-Mar-20				
Non-interest bearing	5,476.18	-	-	-
Total	**5,476.18**	**-**	**-**	**-**

(iii) Financing arrangements

The Company does not feel the need to have any borrowing facilities at this stage

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Rs. In lakhs

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial assets				
31-Mar-21				
Non-interest bearing	1,569.74	191.62	-	-
Fixed interest rate instruments	0.25	60.00	-	-
Total	**1,569.99**	**251.62**	**-**	**-**
31-Mar-20				
Non-interest bearing	1,450.35	321.79	-	-
Fixed interest rate instruments	0.25	60.00	-	-
Total	**1,450.60**	**381.79**	**-**	**-**

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forming part of the Financial Statements for the year ended 31 March 2021

Market risk

market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company invests in fixed rate instruments taking into account the current liquidity requirements. All such transactions are carried out within the guidelines set by the Board of Directors.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's / Company's exposure to currency risk relates primarily to the Company's operating activities in reinsurance broking when transactions are denominated in a different currency from the Company's functional currency.

The Company mitigates its foreign currency risk by entering into reinsurance contracts wherein the risk is to the account of the cedant insurers or the reinsurers.

The carrying amounts of the Company’s foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	Currency	31-Mar-21	31-Mar-20
Trade Receivables	USD	-	-
	EUR	-	-
	GBP	-	-
Trade Payables	USD	-	-
	EUR	-	-
	GBP	-	-

Foreign Currency Sensitivity

In management’s opinion, any sensitivity analysis is not representative of the inherent foreign exchange risk because the exposure is to the account of the cedant insurer or reinsurer.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company manages its interest rate risk by having a balanced portfolio of long-term as well as short-term fixed deposits with companies as well as intercorporate deposits.

Interest rate sensitivity

The sensitivity analyses below have been determined based on exposure to interest rate for non-derivative instruments at the end of reporting period.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans given and investments in fixed deposits effected. With all other variables held constant, the Company’s profit before tax is affected through the impact on fixed rate investments and interest bearing loans as follows:

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
31-Mar-21	INR	+50	213.95
	INR	-50	(213.95)
31-Mar-20	INR	+50	190.00
	INR	-50	(190.00)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Note No. 23 - Fair Value Measurement

Fair value of financial assets and financial liabilities that are not measured at fair value

Rs. In lakhs

Particular	31-Mar-21		31-Mar-20	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets carried at Amortised Cost				
– loans to related parties	**34,340.00**	**34,340.00**	34,925.00	34,925.00
– trade and other receivables	**5,823.05**	**5,823.05**	5,679.77	5,679.77
– other financial assets	**1,821.61**	**1,821.61**	1,832.39	1,832.39
- fixed Deposits with Companies	**8,450.00**	**8,450.00**	3,075.00	3,075.00
Total	**50,434.66**	**50,434.66**	**45,512.16**	**45,512.16**
Financial liabilities				
Financial liabilities held at amortised cost				
– trade and other payables	**6,554.40**	**6,554.40**	4,959.82	4,959.82
– other financial laibilities	**1,760.73**	**1,760.73**	2,193.61	2,193.61
Total	**8,315.13**	**8,315.13**	**7,153.43**	**7,153.43**

Fair value hierarchy as at 31 st March 2021

Rs. In lakhs

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– loans to related parties	-	**34,340.00**	-	**34,340.00**
– trade and other receivables	-	**5,823.05**	-	**5,823.05**
– other financial assets		**1,821.61**	-	**1,821.61**
- fixed Deposits with Companies	-	**8,450.00**	-	**8,450.00**
Total	**-**	**50,434.66**	**-**	**50,434.66**
Financial liabilities				
Financial liabilities held at amortised cost				
– trade and other payables	-	**6,554.40**	-	**6,554.40**
– other financial laibilities	-	**1,760.73**		**1,760.73**
Total		**8,315.13**	**-**	**8,315.13**

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Fair value hierarchy as at 31 st March 2020

Rs. In lakhs

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– loans to related parties	-	34,925.00	-	34,925.00
– trade and other receivables	-	5,679.77	-	5,679.77
– other financial assets	-	1,832.39	-	1,832.39
- fixed Deposits with Companies	-	3,075.00	-	3,075.00
Total	**-**	**45,512.16**	**-**	**45,512.16**
Financial liabilities				
Financial liabilities held at amortised cost				
– trade and other payables	-	4,959.82	-	4,959.82
– other financial laibilities	-	2,193.61	-	2,193.61
Total	**-**	**7,153.43**	**-**	**7,153.43**

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. In the opinion of the management, the difference between the carrying value of the above stated financial assets and liabilities is not materially different from their fair value . Accordingly, the fair value and carrying amount are the same.

Note No. 24 - Leases

Company as as a lessee

Following are the changes in the carrying value of Right to use asset for the year ended March 31, 2021

Rs. In lakhs

Particulars	Category of Asset	
	Building	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning	**2,073.18**	-
Reclassifciation on account of adoption of Ind AS 116	-	2,562.89
Additions	-	-
Deletions	-	-
Depreciation	**485.63**	489.71
Balance at the end	**1,587.55**	**2,073.18**

Following is the movement in the lease liabilties during the year ended March 31, 2021

Rs. In lakhs

Particulars	**For the year ended 31 March 2021**	For the year ended 31 March 2020
Balance at the beginning	**2,147.10**	-
Reclassifciation on account of adoption of Ind AS 116	-	2,562.89
Additions	-	-
Deletions	-	-
Finance Cost accured during the year	**165.70**	183.14
Payment of lease liabilties	**600.86**	598.93
Balance at the end	**1,711.94**	**2,147.10**

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Note No. 25 - Segment information

The Company has determined the operating segment based of structure of reports reviewed by the Strategic Management Council. For management purposes, the Company is organised into a single business unit and has only one reportable segment namely "Insurance Broking services". The geographical segment is based on the location of client, whether in India or outside India. The Strategic Management Council of the Company monitors the operating results of its business unit for the purpose of making decisions about resource allocation and performance assessment

Rs. In lakhs

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Revenue from external customers		
India	**23,602.06**	30,482.75
Outside India	-	-
Total revenue per statement of profit or loss	**23,602.06**	**30,482.75**

All Non-current operating assets comprising property, plant and equipment, investment properties and intangible assets, if any are located in India.

Revenue from major products and services

The following is an analysis of the Company's revenue from continuing operations from its major products and services:

Rs. In lakhs

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Insurance Broking and auxillary activities	**23,602.06**	30,482.75
Total	**23,602.06**	**30,482.75**

Revenues from transactions with a single external customer amounts to 10% or more of the entity's revenues.

Note No. 26 - Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating Rs. 444.74 Lakhs (F-2020 : Rs.426.93 Lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, 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 through its Gratuity Trust Fund.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit. The defined benefit plans hold a significant proportion of equity type assets, which are expected to outperform government bonds in the long-term while providing volatility and risk in the short-term.

Notes

forming part of the Financial Statements for the year ended 31 March 2021

As the plans mature, the Company intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

However, the Company believes that due to the long-term nature of the plan liabilities and the strength of the supporting group, a level of continuing equity type investments is an appropriate element of the Company's long term strategy to manage the plans efficiently.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

Inflation risk

Some of the Company's pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The plans hold a significant proportion of assets in index linked gilts, together with other inflation hedging instruments and also assets which are more loosely correlated with inflation. However an increase in inflation will also increase the deficit to some degree.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the Company's defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

Leave Encashment

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by acturial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid or availed as a result of the unused entitllement that has accumulated at the balance sheet date. Expense on non accumulating compensated absences is recognised in the period in which the absences occur.

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

	Valuation as at		
	31-Mar-21	31-Mar-20	31-Mar-19
Discount rate(s)	**6.91%**	6.41%	7.67%
Expected rate(s) of salary increase	**7%**	7%	7%
Attrition Rate	**Attrition rate of 24% up to the age of 30, 11% up to age of 44 and 9% thereafter**	Attrition rate of 25% up to the age of 30, 12% up to age of 44 and 9% thereafter	Attrition rate of 20% up to the age of 35, 9% up to age of 45 and 3% thereafter

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Defined benefit plans – as per actuarial valuation on 31st March, 2021

Rs. In lakhs

Particulars	Funded Plan		Unfunded Plans	
	Gratuity		Exigency leave / Earned leave	
	2021	2020	**2021**	2020
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:				
Service Cost				
Current Service Cost	**136.45**	97.96	**140.91**	148.90
Past service cost and (gains)/losses from settlements	-	-	-	-
Net interest expense	**39.93**	24.76	**46.29**	41.24
Acquisition adjustment due to transfer out	-	(3.99)		
Components of defined benefit costs recognised in profit or loss	**176.38**	118.73	**187.20**	190.14
Remeasurement on the net defined benefit liability				
Return on plan assets (excluding amunt included in net interest expense)	-	-	-	-
Actuarial gains and loss arising form changes in financial assumptions	-	-	-	-
Actuarial gains and loss arising form experience adjustments	**(44.66)**	296.95	-	-
Others	-	-	-	-
Componenets of defined benefit costs recognised in other comprehensive income	**(44.66)**	296.95	-	-
Total	**(44.66)**	**296.95**	**-**	**-**
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March				
1. Present value of defined benefit obligation as at 31st March	**1,197.24**	1,089.09	**785.46**	722.14
2. Fair value of plan assets as at 31st March	**584.43**	466.12	-	-
3. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March	**(612.82)**	(622.97)	**(785.46)**	(722.14)
4. Current portion of the above	**83.53**	74.37	**103.20**	93.20
5. Non current portion of the above	**529.29**	548.60	**682.26**	628.94

Rs. In lakhs

Particulars	Funded Plan		Unfunded Plans	
	Gratuity		Exigency leave / Earned leave	
	2021	2020	**2021**	2020
II. Change in the obligation during the year ended 31st March				
1. Present value of defined benefit obligation at the beginning of the year	**1,089.09**	715.12	**722.14**	537.67
2. Add/(Less) on account of Scheme of Arrangement/Business	-	3.45	-	-
Transfer	-	(3.99)	-	-
3. Expenses Recognised in Profit and Loss Account				
- Current Service Cost	**136.45**	97.96	**140.91**	148.90
- Past Service Cost			-	-

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Rs. In lakhs

Particulars	Funded Plan		Unfunded Plans	
	Gratuity		Exigency leave / Earned leave	
	2021	2020	**2021**	2020
- Interest Expense (Income)	**69.81**	54.85	**46.29**	41.24
4. Recognised in Other Comprehensive Income			-	-
Remeasurement gains / (losses)				
- Actuarial Gain (Loss) arising from:			-	-
i. Demographic Assumptions	**3.96**	(25.67)	-	-
ii. Financial Assumptions	**(37.33)**	131.86	**(123.88)**	(5.67)
iii. Experience Adjustments	**(41.17)**	160.66	-	-
5. Benefit payments	**(23.57)**	(45.15)	-	-
6. Others	-	-	-	-
7. Present value of defined benefit obligation at the end of the year	**1,197.24**	1,089.09	**785.46**	722.14
III. Change in fair value of assets during the year ended 31st March				
1. Fair value of plan assets at the beginning of the year	**466.12**	392.35	-	-
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	3.45	-	-
3. Expenses Recognised in Profit and Loss Account	-	-	-	-
- Expected return on plan assets	**29.88**	30.09	-	-
4. Recognised in Other Comprehensive Income	-	-	-	-
Remeasurement gains / (losses)	-	-	-	-
- Actual Return on plan assets in excess of the expected return	**(29.88)**	(30.09)	-	-
- Others	-	-	-	-
5. Contributions by employer (including benefit payments recoverable)	**141.87**	115.47	-	-
6. Recoverable/Recovered from LIC	-	-	-	-
7. Benefit payments	**(23.57)**	(45.15)	-	-
8. Fair value of plan assets at the end of the year	**584.43**	466.12	-	-
IV. The Major categories of plan assets				
- Insurer managed funds	**100%**	100%		
V. Actuarial assumptions				
1. Discount rate	**6.91%**	6.41%	**6.91%**	6.41%
2. Expected rate of return on plan assets	**6.41%**	7.67%		
3. Attrition rate	**Attrition rate of 24% up to the age of 30, 11% up to age of 44 and 9% thereafter**	Attrition rate of 25% up to the age of 30, 12% up to age of 44 and 9% thereafter	**Attrition rate of 24% up to the age of 30, 11% up to age of 44 and 9% thereafter**	Attrition rate of 25% up to the age of 30, 12% up to age of 44 and 9% thereafter

Notes

forming part of the Financial Statements for the year ended 31 March 2021

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	2021	1	(84.83)	93.16
	2020	1	(78.01)	84.71
Salary growth rate	2021	1	92.14	(85.50)
	2020	1	83.34	(78.28)
Life expectancy	2021	+/- 1 year	Negligible	Negligible
	2020	+/- 1 year	Negligible	Negligible

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	2021	1	(66.06)	75.51
	2020	1	(58.12)	66.42
Salary growth rate	2021	1	74.70	(66.59)
	2020	1	65.38	(58.33)
Life expectancy	2021	+/- 1 year	Negligible	Negligible
	2020	+/- 1 year	Negligible	Negligible

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

The Company expects to contribute Rs. 150 lakhs to the gratuity trusts during the next financial year of 2021.

Maturity profile of defined benefit obligation:

Rs. In lakhs

Grauity	31 March 2021	31 March 2020
Within 1 year	**206.15**	192.10
1 - 2 year	**210.73**	193.14
2 - 3 year	**228.12**	240.17
3 - 4 year	**251.56**	260.79
4 - 5 year	**285.89**	286.71

Rs. In lakhs

Leave Encashment	31 March 2021	31 March 2020
Within 1 year	**132.39**	101.58
1 - 2 year	**121.17**	101.98
2 - 3 year	**117.87**	109.38
3 - 4 year	**124.12**	112.44
4 - 5 year	**128.27**	116.04

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and

Notes

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liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

Rs. In lakhs

VIII. Experience Adjustments :	Period Ended 2021	2020	2019	2018	2017
	Gratuity				
1. Defined Benefit Obligation	**1,197.24**	1,089.09	715.12	563.39	292.76
2. Fair value of plan assets	**584.43**	466.12	392.35	343.42	296.21
3. Surplus/(Deficit)	**(612.82)**	(622.97)	(322.77)	(219.97)	3.45
4. Experience adjustment on plan liabilities [(Gain)/Loss]	**(74.54)**	266.85	36.38	178.81	51.64
5. Experience adjustment on plan assets [Gain/(Loss)]	**(29.88)**	(30.09)	(25.62)	(21.80)	(15.85)

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

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 the employment market.

The current service cost and the net interest expense for the year are included in the employee benefits expense in profit or loss of the expense for the year.

Note No 27: Employees Share Based Payments (Employees Phantom Stock Option Plan 2019)

On January 18, 2019, Board of Directors approved the MIBL Employees Phantom Stock Option Plan 2019 (MIBL EPSOP 2019) for grant of stock options to the employees, within the meaning of the MIBL-EPSOP 2019 plan. The specific employees to whom the options would be granted and their eligibility criteria shall be determined by the Nomination and Remuneration Committee of the Board (Committee) from time to time on the basis of one or more factors including but not limited to longevity, total experience and role of the Employee. The options granted under EPSOP 2019 would vest after 1 (one) year but not later than the maximum vesting Period of 4 (four) years from the grant date of such options.

The Committee has prescribe the vesting schedule of the options granted under the plan, unless otherwise decided in exceptional cases like retirements:

Vesting Dates	Vesting Percentage
1st Anniversary from date of Grant	25% of Options granted
2nd Anniversary from date of Grant	25% of Options granted
3rd Anniversary from date of Grant	25% of Options granted
4th Anniversary from date of Grant	25% of Options granted

The Company will process vested options for settlement at each vesting date and determines appreciation in respect of all such Options with reference to Fair Market Value prevailing as on date of Vesting calculated as prescribed by MIBL EPSOP 2019. The Company recognises the fair value of the liability and expense for these plans over the vesting period based on the management's estimate of the vesting and forfeiture conditions.

Employees Phantom Stock Option Plan

Grant date	Exercise Price	Total Options granted	Options vested and Exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
Grant I	10.00	302,326	144,577	157,749	144,577	27,894	129,855
Grant II	10.00	4,905	4,905	-	4,905	-	-
Grant III	10.00	9,070	3,024	6,046	3,024	1,295	4,751
Grant IV	10.00	7,268	-	7,268	-	-	7,268
Total		**323,569**	**152,506**	**171,063**	**152,506**	**29,189**	**141,874**

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forming part of the Financial Statements for the year ended 31 March 2021

Movement of Phantom stock options during the year

Total for all grants	No. of Options	Range of exercise prices Rs.	Weighted average exercise price Rs.	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	227,785	10.00	10.00	NA
Granted during the year	7,268			2.00
Forfeited/Lapsed during the year	19,543			NA
Exercised during the year	73,636			NA
Outstanding at the end of the year	141,874			2.00
Exercisable at the end of the year	0			NA

Significant assumptions used to estimate the fair value of options granted during the year.

Variables	
1. Risk Free Interest Rate	4.86
2. Expected Life	1.55
3. Expected Volatility	48.30
4. Dividend Yield	1.01
5. Price of the underlying share in market at the time of the option grant (Rs.)	1791

Total Expenses recognised for the year ended on 31st March 2021.

The total expense recognised from share-based payment transactions for the year ended on 31st March 2021 is Rs. 11.56 lakhs (PY. Rs.27.98 lakhs)

Annex 2

Requirements under Companies Act, 2013

Summary of Status of EPSOPs Granted

The position of the existing schemes is summarized as under -

Sr. No.	Particulars	Employees Phantom Stock Option Plan 2019
I. Details of the EPSOPS		
1	Date of Shareholder's Approval	1/18/2019
2	Total Number of Options approved	515,464
3	Vesting Requirements	As per vesting schedule
4	ExercisePrice or Pricing formula (Rs.)	10.00
5	Maximum term of Options granted (years)	4 years
6	Source of shares	
7	Variation in terms of ESOP	N.A
II.	**Option Movement during the year**	
1	No. of Options Outstanding at the beginning of the year	227,785
2	Options Granted during the year	7,268
3	Options Forfeited	19,543
4	Options Lapsed during the year	0
5	Options Vested during the year	73,636
6	Options Exercised during the year	73,636
7	Total number of shares arising as a result of exercise of options	0

Notes

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Sr. No.	Particulars	Employees Phantom Stock Option Plan 2019
8	Money realised by exercise of options (Rs.)	0
9	Number of options Outstanding at the end of the year	141,874
10	Number of Options exercisable at the end of the year	0
III	**Weighted average exercise price of Options granted during the year whose**	
	(a) Exercise price equals market price	NA
	(b) Exercise price is greater than market price	NA
	(c) Exercise price is less than market price	10.00
	Weighted average fair value of options granted during the year whose	
	(a) Exercise price equals market price	NA
	(b) Exercise price is greater than market price	NA
	(c) Exercise price is less than market price	1,754.18
	The weighted average market price of options exercised during the year	No Options Exercised during the year

IV Employee-wise details of options granted during the financial year 2020-21 to:

(i) Senior managerial personnel :

Name	No. of options granted
	-
	-
	-

(ii) Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year

Name	No. of options granted
RAJESHWAR PRASAD	2,079
AJIT MATHEWS	1,410
DEEPAK JANU TAMBE	1,728
SWATI VERMA BERA	2,051

(iii) Identified employees who were granted option, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.

Name	No. of options granted
Not Applicable	NIL

V Method and Assumptions used to estimate the fair value of options granted during the year:

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

Date of grant	Particulars
1. Risk Free Interest Rate	4.86
2. Expected Life	1.55
3. Expected Volatility	48.30
4. Dividend Yield	1.01
5. Price of the underlying share in market at the time of the option grant (Rs.)	1,791.00

Notes

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Assumptions:

Stock Price: Closing price on National Stock Exchange on the date of grant has been consid

Volatility: The historical volatility over the expected life has been considered to calculate the fair value.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.

Expected divided yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

VI	Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20	Not Applicable

Note No. 28 - Related Party Transactions

Name of the parent Company	: Mahindra & Mahindra Financial Services Limited
Name of the Ultimate parent Company	: Mahindra & Mahindra Limited
Name of the Fellow subsidiaries	: Mahindra Rural Housing Finance Limited
	: Mahindra Integrated Business Solutions Limited
	: Mahindra First Choice Services Limited
	: N.B.S. International Limited
	: Mahindra Retail Limited
	: Mahindra Engineering & Chemical Products Ltd
Key Management Personnel (KMP)	: Dr Jaideep Devare, Managing Director (Till 25th Dec 2020)
	: Rupa Joshi, Company Secretary
	: Saurabh Dharadhar, Chief Financial Officer
Directors	: Rajeev Dubey, Chairman
	: Ramesh Iyer, Non Executive Director
	: V Ravi, Non Executive Director (Till 15th Sep 2020)
	: Hemant Sikka, Non Executive Director
	: Jyotin Mehta, Independent Director (w.e.f. 30th Mar 2020)
	: Nityanath Ghanekar, Independent Director (Till 29th Mar 2020)
	: Anjali Raina, Independent Director
	: Derek Nazareth, Nominee Director
	: Vivek Karve, Non Executive Director (w.e.f 05th Jan 2021)
	: Rajnish Agarwal, Non Executive Director (w.e.f 05th Jan 2021)

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Details of transaction between the Company and its related parties are disclosed below:

Rs. In lakhs

Particulars	For the year ended	Parent Company and Ultimate Parent company	KMP/Directors of the Company	Fellow subsidiaries
Nature of transactions with Related Parties				
Purchase of property and other assets	31-Mar-21	-	-	-
including intangibles	31-Mar-20	17.28	-	34.30
Rendering of services	31-Mar-21	3,241.35	-	-
	31-Mar-20	5,799.83	-	-
Receiving of services	31-Mar-21	226.84	294.44	464.89
	31-Mar-20	258.25	459.16	573.04
Interest Income	31-Mar-21	514.62	-	2,477.01
	31-Mar-20	319.48	-	2,821.45
Loans given (including Fixed Deposits &	31-Mar-21	5,375.00	-	25,440.00
Intercorporate Deposits placed during the year)	31-Mar-20	6,575.00	-	32,800.00
Repayment of loans (incl Fixed Deposits matured &	31-Mar-21	1,725.00	-	24,300.00
Intercorporate Deposits withdrawn during the year)	31-Mar-20	5,300.00	-	29,500.00
Dividend Paid	31-Mar-21	-	-	-
	31-Mar-20	618.56	-	-
Commission and other benefits to directors	31-Mar-21	-	182.47	-
	31-Mar-20	-	149.80	-

Rs. In lakhs

Nature of Balances with Related Parties	Balance as on	Parent Company and Ultimate Parent company	KMP/Directors of the Company	Fellow subsidiaries
Trade payables	31-Mar-21	57.87	-	0.75
	31-Mar-20	25.86	-	8.29
Loans & advances given (incl. Fixed Deposits	31-Mar-21	8,850.00	-	33,940.00
and Intercorporate Deposits placed)	31-Mar-20	5,200.00	-	32,800.00
Other balances (including Trade Receivables	31-Mar-21	1,868.19	-	1,060.19
and Interest Accrued)	31-Mar-20	1,508.36	-	1,429.89

Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Rs. In lakhs

Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Short-term employee benefits	**294.44**	459.16
Post-employment benefits[1]	-	-
Other long-term benefits[1]	-	-
Termination benefits	-	-
Share-based payment[2]	-	-

[1]Figures not available separately for gratuity and leave encashment

[2]Included in the Stock Option Charge paid to parent company for its Stock Options granted to Key Managerial Personnel

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Note No. 29 - Revenue from contract with customers

A. Country-wise break up of Revenue

31-Mar-21

Rs. In lakhs

Country	Revenue from contracts with customers (IndAS 115)	Revenue from operations from other than customers	Total Revenue from Operations	Other Income	Total Income
India	23,602.06	-	23,602.06	3,253.59	26,855.65
Total	**23,602.06**	**-**	**23,602.06**	**3,253.59**	**26,855.65**

31-Mar-20

Rs. In lakhs

Country	Revenue from contracts with customers (IndAS 115)	Revenue from operations from other than customers	Total Revenue from Operations	Other Income	Total Income
India	30,482.75	-	30,482.75	3,206.13	33,688.88
Total	**30,482.75**	**-**	**30,482.75**	**3,206.13**	**33,688.88**

B. Breakup of Revenue into contracts entered in previous year and in current year

Rs. In lakhs

Particulars	31 March 2021	31 March 2020
Revenue from PO/ contract / agreement entered into previous year	23,542.45	30,423.24
Revenue from New PO/ contract / agreement entered into current year	59.61	59.51
Total Revenue recognised during the period	**23,602.06**	**30,482.75**

C. Reconciliation of revenue from contract with customer

Rs. In lakhs

Particulars	31 March 2021	31 March 2020
Revenue from contract with customer as per the contract price	23,602.06	30,482.75
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	-	-
b) Sales Returns / Reversals	-	-
c) Deferrment of revenue	-	-
d) Changes in estimates of variable consideration	-	-
e) Recognition of revenue from contract liability out of opening balance of contract liability	-	-
f) Any other adjustments	-	-
Revenue from contract with customer as per the statement of Profit and Loss	**23,602.06**	**30,482.75**

Notes

forming part of the Financial Statements for the year ended 31 March 2021

D. Revenue to be recognised for performance obligation(s) not satisfied or partially satisfied at the end of the current year in respect of contracts with customer that are in place (i.e. signed agreements/ Pos/Wos/SOWs, etc) at the end of reporting period.

The company has reviewed the contract with insurers and customers and indentified claims handling services as an area that is affected by the new accounting standard. The application of new standard results in the indentifiaction of separate performance obligation for handeling claims on behalf of customers as part of insurance brokerage customary business practice. The new standard requires the deferral of revenue recognition untill the performance obligation is satisifed. Based on the results of the review, the company does not expect a material imapct on the statement of profit and loss.

E. Break-up of Provision for Expected Credit Losses recognised in P&L

Rs. In lakhs

Particulars	31 March 2021	31 March 2020
Expected Credit loss recognised during the year on trade receivables	189.78	81.46
Expected Credit loss recognised during the year on contract assets	-	-
Expected Credit loss recognised during the year on others	-	-
Total	**189.78**	**81.46**

Note No. 30 - Income received from Insurer and Insurer's group companies

As per regulation 34 (6) of IRDAI (Insurance Brokers) Regulations, 2018, following are the details of all the incomes received from insurers and insurer's group companies

A. Details of incomes received from insurers (Top 15+ Others)

Rs. In lakhs

Particulars	Year Ended 31 March 2021
Tata AIG General Insurance Co Ltd	2,257.59
ICICI Lombard General Insurance Ltd	2,092.25
Liberty Videocon General Insurance Co Ltd	1,443.87
Iffco Tokio General Insurance Co Ltd	1,415.99
Royal Sundaram Alliance Insurance Co Ltd	1,126.55
New India Assurance Co Ltd	1,065.28
Future Generali Insurance Co Ltd	1,005.99
Cholamandalam MS General Insurance Co Ltd	810.88
United India Insurance Co Ltd	745.60
Bharti AXA General Insurance Co Ltd	726.32
Bajaj Allianz General Insurance Co Ltd	570.94
Oriental Insurance Co Ltd	569.31
HDFC Ergo General Insurance Company Limited	518.35
MAGMA HDI General Insurance Co Ltd	402.91
GO DIGIT General Insurance Limited	326.57
Others	1,446.09
Total Revenue	**16,524.49**

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Rs. In lakhs

Particulars	Year Ended 31 March 2020
Tata AIG General Insurance Co Ltd	2,506.33
Iffco Tokio General Insurance Co Ltd	2,037.79
ICICI Lombard General Insurance Ltd	2,000.98
Royal Sundaram Alliance Insurance Co Ltd	1,715.84
Liberty Videocon General Insurance Co Ltd	1,403.78
New India Assurance Co Ltd	1,281.81
Bharti AXA General Insurance Co Ltd	1,246.73
United India Insurance Co Ltd	793.00
Oriental Insurance Co Ltd	670.30
Cholamandalam MS General Insurance Co Ltd	654.62
Future Generali Insurance Co Ltd	636.33
Bajaj Allianz General Insurance Co Ltd	524.96
GO DIGIT General Insurance Limited	416.66
HDFC Ergo General Insurance Company Limited	401.56
MAGMA HDI General Insurance Co Ltd	311.03
Others	1,116.42
Total Revenue	**17,718.14**

B. The Company has not received any income from any of the insurers' group companies.

Note No. 30 - Details of Payments received by the group companies and/or associates and/or related parties of the insurance broker from any insurer and the details thereof.

As per regulation 34 (6) of IRDAI (Insurance Brokers) Regulations, 2018, following are the details of payments received by the group companies and/or associates and/or related parties of the insurance broker from any insurer and the details thereof.

As per the information received from the group companies, payments received by Mahindra & Mahindra Financial Services Limited ("MMFSL")

Rs. In lakhs

Name of Insurance Company	Year Ended 31 March 2021*
Bajaj Allianz General Insurance Co Ltd	**17.70**
Cholamandalam MS General Insurance Co Ltd	**169.21**
Future Generali India Insurance Co Ltd	**166.03**
Go Digit General Insurance Company Ltd	**6.84**
ICICI Lombard General Insurance Ltd	**291.10**
IFFCO Tokio General Insurance Co Ltd	**169.92**
Royal Sundaram Alliance Insurance Co Ltd	**1,879.56**
Tata AIG General Insurance Co Ltd	**276.95**
Total	**2,977.31**

Notes

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Rs. In lakhs

Name of Insurance Company	Year Ended 31 March 2020*
Bajaj Allianz General Insurance Co Ltd	27.00
Go Digit General Insurance Company Ltd	32.87
Cholamandalam MS General Insurance Co Ltd	308.93
Future Generali India Insurance Co Ltd	102.71
ICICI Lombard General Insurance Ltd	194.40
IFFCO Tokio General Insurance Co Ltd	162.82
Liberty Videocon General Insurance Co Ltd	108.00
Liberty General Insurance Co Ltd	324.00
Royal Sundaram Alliance Insurance Co Ltd	3,353.56
Tata AIG General Insurance Co Ltd	532.10
Total	5,146.39

* Payments are received towards usage of office space of MMFSL branches for display of marketing material/ advertisements of insurnace companies.

Note No. 31 - Contingent liabilities and commitments

Contingent liabilities (to the extent not provided for)

Rs. In lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Contingent liabilities		
Short Deduction of TDS and Interest thereon	**3.19**	16.51

Rs. In lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Commitments #		
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Commitments for the acquisition of intangible assets	**75.83**	150.93

Note No. 32- Additional Information to the Financial Statements

32.1 Dividend

In respect of the current year, the directors propose that a dividend of Rs.3 per share be paid on equity shares at the board meeting held on 15th April 2021. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all shareholders on the Register of Members on June 18, 2021. The total estimated equity dividend to be paid is Rs.309.28 lakhs.

Notes

forming part of the Financial Statements for the year ended 31 March 2021

32.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Rs. In lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Principal amount remaining unpaid to MSME suppliers as on	5.51	0.51
(ii) Interest due on unpaid principal amount to MSME suppliers as on	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	-	-
(v) The amount of interest accrued and remaining unpaid as on	-	-
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

32.3 Corporate Social Responsibility (CSR)

Rs. In lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Amount required to be spent as per section 135 of the Act	180.71	184.88
Amount spent during the year on:		
(i) Construction / acquistion of an asset	-	-
(ii) On purpose other than (i) above	180.71	185.20
Total	**180.71**	**185.20**

32.4 Note on COVID 19

The “severe acute respiratory syndrome coronavirus 2 (SARS-Co-V-2)”, generally known as COVID -19, which was declared as a pandemic by WHO on March 11, 2020, continues to spread across India and there is unprecedented level of disruption on socio economic front across the country. Globally, countries and businesses are under intermittent lockdowns. Considering the severe health hazard associated with COVID-9 pandemic, the Government of India and respective State Governments have been intermittently declaring lockdowns or curfews. However such lockdowns and curfews have not affected the company’s financial statements for the year ended March 31, 2021. Since there is a high level of uncertainty about the time required for things to get normal, the extent to which COVID-19 pandemic will impact the company’s future operations and financial result is dependent upon the further developments, which are highly uncertain.

Notes

forming part of the Financial Statements for the year ended 31 March 2021

Note No. 33 - Previous year figures

- Previous year figures have been regrouped /reclassified wherever found necessary.

The financial statements of Mahindra Insurance Brokers Limited were approved by the Board of Directors and authorised for issue on April 15, 2021.

Signatures to Notes 1 to 33

As per our report of even date attached.
For Mukund M. Chitale & Co.
Chartered Accountants
Firm Regn No. 106655W

For and on behalf of the Board of Directors

	Rajeev Dubey Chairman DIN: 00104817	**Ramesh Iyer** Director DIN: 00220759	**Vivek Karve** Director DIN: 06840707	**Hemant Sikka** Director DIN: 00922281	**Jyotin Mehta** Director DIN: 00033518
Saurabh M. Chitale Partner Membership No. 111383	**Anjali Raina** Director DIN: 02327927	**Derek Nazareth** Director DIN: 07031760	**Rajnish Agarwal** Director DIN: 03335692	**Rupa Joshi** Company Secretary Mem No.: ACS 17395	**Saurabh V. Dharadhar** Chief Financial Officer
Place: Mumbai 15 April 2021					Place: Mumbai 15 April 2021