

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
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Independent Auditor's Report

To the Members of Zuari Insurance Brokers Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Zuari Insurance Brokers Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2020 and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

3. We conducted our audit 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules 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.

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune.



Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Independent Auditor's Report of even date to the members of Zuari Insurance Brokers Limited on the financial statements for the year ended 31 March 2020 (Cont'd)

Information other than the Financial Statements and Auditor's Report

4. The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Responsibilities of Management for the Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other 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 specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.
8. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

Independent Auditor's Report of even date to the members of Zuari Insurance Brokers Limited on the financial statements for the year ended 31 March 2020 (Cont'd)

audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

9. The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure I, as required by section 143(3) of the Act, 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;
 - 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 financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2020 in conjunction with our audit of the financial statements of the

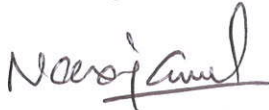
Independent Auditor's Report of even date to the members of Zuari Insurance Brokers Limited on the financial statements for the year ended 31 March 2020 (Cont'd)

Company for the year ended on that date and our report dated 13 June 2020 as per Annexure II expressed an unmodified opinion; and

- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i the Company does not have any pending litigation which would impact its financial position;
 - i the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
 - ii there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and
 - iv the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For Walker ChandioK & Co LLP

Chartered Accountants
Firm's Registration No.: 001076N/N500013



Neeraj Goel
Partner
Membership No.: 099514

UDIN: 20099514AAAADB3433
Place: Gurugram
Date: 18 June 2020



Annexure II to the Independent Auditor's Report of even date to the members of Zuari Insurance Brokers Limited on the financial statements for the year ended 31 March 2020

Annexure II

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').

1. In conjunction with our audit of the financial statements of the Company as at and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Guidance Note and Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Walker Chandiook & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Zuari Insurance Brokers Limited on the financial statements for the year ended 31 March 2020 (cont'd)

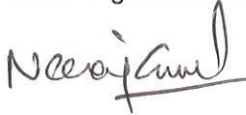
Inherent Limitations of Internal Financial Controls over Financial Reporting

1. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

2. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note issued by the ICAI.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Neeraj Goel
Partner
Membership No.:099514

UDIN: 20099514AAAADB3433
Place: Gurugram
Date: 18 June 2020



Annexure I to the Independent Auditor's Report of even date to the members of Zuari Insurance Brokers Limited, on the financial statements for the year ended 31 March 2020

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) All property, plant and equipment have not been physically verified by the management during the year, however, there is a regular program of verification once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory covered by Ind-AS 2. Accordingly, the provisions of clause 3(ii) of the Order are not applicable to the Company.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of loans. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 of the Act and Section 186 of the Act in respect of investments, guarantees and security.
- (v) In our opinion, 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 and rule framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.



Annexure I to the Independent Auditor's Report of even date to the members of Zuari Insurance Brokers Limited on the financial statements for the year ended 31 March 2020 (cont'd)

- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a delay in certain cases. Undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable are as follow:

Name of the Statute	Nature of the dues	Amount (in INR)	Period to which amount relates	Due Date	Date of payment
Income tax Act, 1961	Advance tax (including interest)	322,380	Financial year 2019-20	15 June 2019	Not yet paid
		644,760		15 September 2019	Not yet paid

- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.



Walker Chandiook & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Zuari Insurance Brokers Limited on the financial statements for the year ended 31 March 2020 (cont'd)

- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.:099514

UDIN: 20099514AAAADB3433

Place: Gurugram

Date: 18 June 2020



Particulars	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1.70	2.80
(b) Other intangible assets	5	-	-
(c) Intangible assets under development	6	6.00	-
(d) Financial assets			
(i) Investments	7	50.06	42.79
(ii) Loans	8	246.42	6.42
(iii) Other financial assets	9	40.48	39.55
(e) Deferred tax assets (net)	21	5.95	5.50
(f) Non-current tax assets (net)	10	25.83	40.77
(g) Other non-current assets	11	93.39	101.96
		<u>469.83</u>	<u>239.79</u>
Current assets			
(a) Financial assets			
(i) Trade receivables	12	78.32	32.43
(ii) Cash and cash equivalents	13	47.50	19.35
(iii) Other bank balances	14	25.00	130.00
(iv) Other financial assets	15	41.09	61.78
(b) Other current assets	11	15.81	14.13
		<u>207.72</u>	<u>257.69</u>
TOTAL		<u><u>677.55</u></u>	<u><u>497.48</u></u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	275.00	275.00
(b) Other equity	17	336.68	177.92
		<u>611.68</u>	<u>452.92</u>
LIABILITIES			
Non-current liabilities			
Provisions	18	11.00	9.68
		<u>11.00</u>	<u>9.68</u>
Current liabilities			
(a) Financial liabilities			
Trade payables	19		
-Total outstanding due of micro enterprises and small enterprises		-	-
-Total outstanding due of creditors other than micro enterprises and small enterprises		21.07	32.92
(b) Other current liabilities	20	7.69	1.71
(c) Provisions	18	0.26	0.25
(d) Current tax liabilities(net)		25.85	-
		<u>54.87</u>	<u>34.88</u>
TOTAL		<u><u>677.55</u></u>	<u><u>497.48</u></u>

The accompanied notes form an integral part of the financial statements

As per our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Neeraj Goel

Partner
Membership No. 099514

Place: Gurugram
Date: 18 June 2020



For and on behalf of the Board of Directors of
Zuari Insurance Brokers Limited

R. S. Raghavan
R. S. Raghavan
Director
(DIN-00362555)

Place: Gurugram
Date: 18 June 2020

Vijay Kathuria

Vijay Kathuria
Director
(DIN-00338125)

Place: New Delhi
Date: 18 June 2020

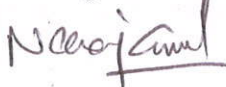


Particulars	Notes	Year ended 31 March 2020	Year ended 31 March 2019
Income			
Revenue from operations	22	398.49	279.53
Other income	23	41.46	22.89
Total income		439.95	302.42
Expenses			
Employee benefits expense	24	121.48	112.56
Depreciation and amortisation expense	25	1.17	1.27
Other expenses	26	105.21	100.25
Total expenses		227.86	214.08
Profit before tax		212.09	88.34
Tax expense:	21		
Current tax		54.07	23.37
Deferred tax credit		(0.52)	(0.40)
		53.55	22.97
Profit for the year		158.54	65.37
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans		0.29	0.27
Income tax effects on above		(0.07)	(0.07)
Other comprehensive income for the year		0.22	0.20
Total comprehensive income for the year		158.76	65.57
Earnings per equity share:			
(1) Basic	29	5.77	2.38
(2) Diluted	29	5.77	2.38

The accompanied notes form an integral part of the financial statements

As per our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013



Neeraj Goel
Partner
Membership No. 099514

Place: Gurugram
Date: 18 June 2020



For and on behalf of the Board of Directors of
Zuari Insurance Brokers Limited



R. S. Raghavan
Director
(DIN-00362555)

Place: Gurugram
Date: 18 June 2020





Vijay Kathuria
Director
(DIN-00338125)

Place: New Delhi
Date: 18 June 2020

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
A Cash flow from operating activities		
Profit before tax	212.09	88.34
Adjustments for:		
Depreciation and amortisation expense	1.17	1.27
Interest income	(27.40)	(16.16)
Bad debts	0.63	1.96
Gain arising on measuring NCRPS at fair value through profit and loss	(7.27)	(6.21)
Amortisation of deferred losses on NCRPS	7.27	6.21
Excess provisions written back	6.15	0.15
Profit on sale of property, plant and equipment	-	(0.30)
Operating profit before working capital changes	192.64	75.26
Adjustment for changes in working capital		
-trade receivables	(46.52)	(10.76)
-other assets	40.26	(40.65)
-trade and other payables	15.45	17.82
Cash generated from operations	201.83	41.67
Income taxes paid (net)	(39.13)	(6.16)
Net cash generated from operating activities	162.70	35.51
B Cash flow from investing activities		
Interest received	6.52	13.64
Proceeds from sale of property, plant and equipment	-	0.30
Payments for acquisition of property, plant and equipment	(0.07)	(2.68)
Payments for intangible assets under development	(6.00)	-
Proceeds from maturity of fixed deposits	105.00	80.00
Investments in fixed deposits	-	(130.00)
Inter corporate deposits given	(277.50)	-
Inter corporate deposits repaid	37.50	-
Net cash flow used in investing activities	(134.55)	(38.74)
C Cash flow from financial activities		
Net increase/(decrease) in cash and cash equivalents (A+B+C)	28.15	(3.23)
Cash and cash equivalents as at the beginning of the year	19.35	22.58
Cash and cash equivalents as at the end of the year	47.50	19.35
Reconciliation of cash and cash equivalents*		
Cash and cash equivalents as per above comprising of the following:		
	As at 31 March 2020	As at 31 March 2019
Cash and cash equivalents	47.50	19.35
Balance as per statement of cash flows (as per above)	47.50	19.35

*Refer note 13 for break up of cash and cash equivalents.

Notes:

- The above cash flow statement has been prepared under the "Indirect Method" as per Indian Accounting Standard (Ind AS) 7.
- Figures in brackets indicate cash outflow and without brackets indicate cash inflow.

The accompanied notes form an integral part of the financial statements

As per our report of even date.

For Walker ChandioK & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No. 099514

Place: Gurugram
Date: 18 June 2020



For and on behalf of the Board of Directors of
Zuari Insurance Brokers Limited

R. S. Raghavan
R. S. Raghavan
Director
(DIN-00362555)

Vijay Kathuria
Vijay Kathuria
Director
(DIN-00338125)

Place: Gurugram
Date: 18 June 2020

Place: New Delhi
Date: 18 June 2020



(a) Equity share capital

Equity shares of INR 10/- each issued, subscribed and fully paid

	Number of shares	Amount
As at 31 March 2019	27,50,000	275.00
As at 31 March 2020	27,50,000	275.00

(b) Other equity

For the year ended 31 March 2020

	Surplus in the Statement of Profit and Loss
As at 1 April 2019	177.92
Profit for the year	158.54
Other comprehensive income	0.22
Total comprehensive income for the year	158.76
As at 31 March 2020	336.68

For the year ended 31 March 2019

	Surplus in the Statement of Profit and Loss
As at 1 April 2018	112.35
Profit for the year	65.37
Other comprehensive income	0.20
Total comprehensive income for the year	65.57
As at 31 March 2019	177.92

The accompanied notes form an integral part of the financial statements

As per our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No. 099514

Place: Gurugram
Date: 18 June 2020



For and on behalf of the Board of Directors of
Zuari Insurance Brokers Limited

R. S. Raghavan
R. S. Raghavan
Director
(DIN-00362555)

Place: Gurugram
Date: 18 June 2020



Vijay Kathuria

Vijay Kathuria
Director
(DIN-00338125)

Place: New Delhi
Date: 18 June 2020

Zuari Insurance Brokers Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

1. Corporate information

Zuari Insurance Brokers Limited (the "Company") is a public Company domiciled in India an incorporated under the provisions of the Companies Act, 1956. The Company is licensed by Insurance Regulatory Development Authority to act as direct broker for life and non-life Insurance. The Company's principal place of business is Plot No. 2, Zamrudpur Community Centre, Kailash Colony Extension, New Delhi-110048.

2. Application of Indian Accounting Standards

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered while preparing these financial statements.

3. Significant accounting policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended time to time) notified under section 133 of the Companies Act, 2013 (the "Act").

The financial statements of the Company have been prepared on a historical cost basis., except for certain financial assets measured at fair value or net realizable value as applicable.

b) Newly effective standard adopted by the Company (recent accounting pronouncement)

The Company has applied Ind AS 116, Leases, for the first time for their annual reporting period commencing 1 April 2019. The Company had to change its accounting policies as a result of adopting Ind AS 116. The Company adopted the new standard retrospectively but recognized the cumulative effect of initially applying the new standard on 1 April 2019. Refer note 39 for details. The other amendments did not have any impact on the amounts recognized in earlier periods and are not expected to affect the current period.

c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An **asset** is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current.

A **liability** is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period



Zuari Insurance Brokers Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Company recognizes revenue when it transfers control over a product or service to a customer.

To determine whether to recognize revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied.

Identifying the performance obligations

Under Ind AS 115, the Company must evaluate the separability of the promised goods or services based on whether they are 'distinct'. A promised good or service is 'distinct' if both:

- the customer benefits from the item either on its own or together with other readily available resources, and
- it is 'separately identifiable' (i.e. the Company does not provide a significant service integrating, modifying or customizing it).

Determining the transaction price

Under Ind AS 115, the Company shall consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Allocating the transaction price to the performance obligations

The transaction price is allocated to the separately identifiable performance obligations on the basis of their standalone selling price. For services that are not provided separately, the standalone selling price is estimated using adjusted market assessment approach.

Recognizing revenue when/as performance obligation(s) are satisfied.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is recognized either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.



Zuati Insurance Brokers Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

In the comparative period presented in financial statements, revenue was measured at the fair value of the consideration received or receivable. Revenue from the sale of goods was recognized when the significant risks and rewards of ownership had been transferred to the customer, recovery of the consideration was probable, there was no continuing management involvement with the goods and the amount of revenue could be measured reliably. The company recognizes revenue from the following major sources: -

Rendering of services:

Revenue from brokering services is recognized when the Company satisfies its performance obligations by rendering services to customers. These services are consumed simultaneously by the customers.

Interest income:

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). Refer note k for the same.

e) Taxes

Income tax comprises of current and deferred tax. It is recognized in Statement of Profit and Loss except to the extent that is related to an item recognized directly in equity or other comprehensive income.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

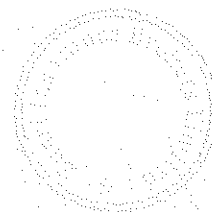
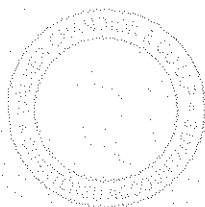
Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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



f) Borrowing costs

General and specific borrowing costs directly attributed to the acquisition, construction or production of a qualifying asset are capitalized up to the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in the period in which they occur or accrue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

g) Property, plant and equipment

All the items of the property, plant and equipment are stated as per cost model i.e. cost of acquisition less accumulated depreciation and impairment. All significant costs incidental to the acquisition of assets are capitalized.

Recognition:

The costs including subsequent costs of an item of property, plant and equipment is recognized as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

All other expenses including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the year when such expenses are incurred.

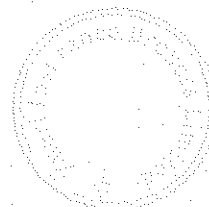
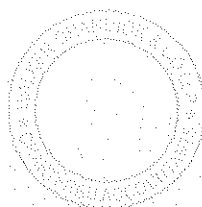
An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation, estimated useful life and residual life

Depreciation is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives: -

Particulars	Life (years)
Leasehold improvements	10
Office equipment	05



Zuari Insurance Brokers Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization impairment losses, if any.

Recognition:

The costs of intangible asset is recognized as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Intangibles representing computer software are amortized using the straight line method over their estimated useful lives of three years.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at each financial year end and adjusted prospectively, if appropriate treating them as changes in accounting estimates. The maintenance expenses on intangible assets with finite lives is recognized in the statement of profit and loss, unless such expenditure forms part of carrying value of an asset and satisfies recognition criteria.

Gains/(losses) arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Assets carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

i) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets of a "Cash Generating Unit" (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. 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). When 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. When 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.

Recoverable amount is the higher of fair value less costs of disposal 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



Zuari Insurance Brokers Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

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 recognized immediately in profit or 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. The increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

j) Leases

As a lessee

At inception of the contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use of an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the identified asset throughout the period of use.

The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee

The Company recognizes 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



Zuari Insurance Brokers Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

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 or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured 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 the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured 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, as the case may be.

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 'loans and borrowings' in the balance sheet. Also, the Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

In the comparative period, as a lessee, the lease payments in respect of assets taken on operating lease are charged to the profit or loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increase.

k) Post-employment and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no statutory nor contractual obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Gratuity liability being a defined benefit obligation is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. The gratuity plan of the Company has been funded by policy taken from Life Insurance Corporation of India. Actuarial gains and losses for defined benefit plan are recognized in full in the year in which they occur in the statement of profit and loss.

Measurements, comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Actuarial gains/losses are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

1) Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value using best estimates. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets 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 at fair value through profit or loss are recognized immediately in the statement the profit and loss.



Financial assets:

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Amortized cost

A financial asset shall be measured at amortized cost using effective interest rates if both of the following conditions are met:

- financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- 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.

The effective interest method is a method of calculating the amortized cost of a financial asset 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 financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortized cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognized in the statement of profit and loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at fair value through other comprehensive income (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 recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. The Company has irrevocably adopted to value its equity investments through FVTOCI.

Dividends on these investments in equity instruments are recognized in the statement of profit and loss 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. Dividends recognized in the Statement of Profit and Loss are included in the 'Other income' line item.



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost and financial asset designated as at FVTOCI.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses using the simplified approach permitted under Ind AS 109.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

Financial liabilities:

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

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when liabilities are derecognized. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance cost in the statement of profit and loss.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

m) Earnings per share

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

n) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs. Unallocated items include general corporate income and expense items which are not allocated to any business segment. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

o) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

p) Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. Provisions are not recognized for future operating losses. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material. Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent liabilities

In those cases, where the possible outflow of economic resources as a result of present obligations is considered not probable or where the amount of the obligation cannot be determined reliably, no liability is recognized.



Contingent assets

Possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets.

q) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Classification of leases – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset. The Company has also factored in overall time period of rent agreements to arrive at lease period to recognize rental income on straight line basis.

Contingent liabilities – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).



4 Property, plant and equipment

	Office equipments	Leasehold improvements	Total
Year ended 31 March 2019			
Gross carrying amount			
Balance as at 01 April 2018	8.12	1.83	9.95
Additions	2.68	-	2.68
Disposals	1.20	-	1.20
Balance as at 31 March 2019	9.60	1.83	11.43
Accumulated depreciation			
Balance as at 01 April 2018	6.74	1.83	8.57
Depreciation charge during the year	1.39	-	1.39
Disposals	1.33	-	1.33
Balance as at 31 March 2019	6.80	1.83	8.63
Net carrying amount	2.80	-	2.80
Year ended 31 March 2020			
Gross carrying amount			
Balance as at 01 April 2019	9.60	1.83	11.43
Additions	0.07	-	0.07
Disposals	-	-	-
Balance as at 31 March 2020	9.67	1.83	11.50
Accumulated depreciation			
Balance as at 01 April 2019	6.80	1.83	8.63
Depreciation charge during the year	1.17	-	1.17
Disposals	-	-	-
Balance as at 31 March 2020	7.97	1.83	9.80
Net carrying amount	1.70	-	1.70

5 Other intangible assets

	Softwares
Year ended 31 March 2019	
Gross carrying amount	
Balance as at 01 April 2018	2.33
Additions	-
Balance as at 31 March 2019	2.33
Accumulated amortisation	
Balance as at 01 April 2018	2.30
Amortisation during the year	0.03
Balance as at 31 March 2019	2.33
Net carrying amount	-
Year ended 31 March 2020	
Gross carrying amount	
Balance as at 01 April 2019	2.33
Additions	-
Year ended 31 March 2020	2.33
Accumulated amortisation	
Balance as at 01 April 2019	2.33
Amortisation during the year	-
Year ended 31 March 2020	2.33
Net carrying amount	-

6 Intangible assets under development

	As at 31 March 2020	As at 31 March 2019
Development and maintenance of software	6.00	-
	6.00	-



7 Financial assets

		Year ended 31 March 2020	Year ended 31 March 2019
Investment in preference shares (fully paid up, unquoted)	Number of shares		
<i>Measured at fair value through profit and loss</i>			
Gobind Sugar Mills Limited ('GSML')			
7% Non convertible redeemable preference shares (NCRPS), Series-X redeemable in one single lot after expiry of the 12th year from the date of allotment i.e. 14 January 2015 (of INR 10/- each NCRPS)	7,50,000	26.01	22.23
7% Non convertible redeemable preference shares (NCRPS), Series-XV redeemable in one single lot after expiry of the 12th year from the date of allotment i.e. 06 July 2015 (of INR 10/- each NCRPS)	7,50,000	24.05	20.56
	Total	50.06	42.79

8 Loans

Measured at amortised cost

Security deposits (unsecured, considered good)		6.42	6.42
Loans to related parties (unsecured, considered good)#		240.00	-
	Total	246.42	6.42

The Company has provided the above loan to fellow subsidiary- Zuari Investments Limited. The loan is being unsecured, carrying interest of 12% p.a is repayable on 31 March 2022. Refer Note 35 and 37 for further details.

9 Other financial assets

Measured at amortised cost

Interest accrued on deposits		18.48	17.55
Balances with banks - in deposit accounts (maturing after period of 12 months) *		22.00	22.00
	Total	40.48	39.55

* The deposit is lien with Insurance Regulatory and Development Authority of India for meeting minimum base capital requirement prescribed under Regulation 23 of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2017 (earlier Regulation 12 of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2013).

10 Non current tax assets (net)

Income taxes paid (net of provisions)		25.83	40.77
	Total	25.83	40.77

11 Other assets

	Non-current		Current	
	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019
(Unsecured, considered good)				
Prepaid expenses	2.46	2.53	-	-
Deferred loss on investment in 7% NCRPS of GSML	90.93	99.43	9.01	7.78
Balances with revenue authorities	-	-	6.80	6.35
	Total	93.39	15.81	14.13



12 Trade receivables

	Year ended 31 March 2020	Year ended 31 March 2019
<i>Measured at amortised cost</i>		
Unsecured, considered good	78.32	32.43
Total	78.32	32.43

13 Cash and cash equivalents

Balances with banks		
- in current accounts	47.30	18.70
Cash in hand	0.20	0.65
Total	47.50	19.35

14 Other bank balances

<i>Measured at amortised cost</i>		
Deposits with original maturity more than 3 months but less than 12 months	25.00	130.00
Total	25.00	130.00

15 Other financial assets (current)

<i>Measured at amortised cost</i>		
Interest accrued on deposits (including inter corporate deposits) #	20.88	0.93
Unbilled revenues	20.21	60.85
Total	41.09	61.78

Refer Note 35 for further details.

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16 Share capital

	Year ended 31 March 2020	Year ended 31 March 2019
Authorised:		
3,000,000 (31 March 2018: 3,000,000) Equity shares of INR 10/- each	300.00	300.00
Issued shares :		
2,750,000 (31 March 2018: 2,750,000) Equity shares of INR 10/- each	275.00	275.00
Subscribed and fully paid-up shares :		
2,750,000 (31 March 2018: 2,750,000) Equity shares of INR 10/- each	275.00	275.00
Total	275.00	275.00

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

	Year ended 31 March 2020		Year ended 31 March 2019	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Outstanding at the beginning and end of the year	27,50,000	275.00	27,50,000	275.00

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of INR10/- per share. Each holder of equity shares is entitled to one vote per share.

(c) Shares held by holding company

	Year ended 31 March 2020	Year ended 31 March 2019
Zuari Finserv Limited	27,50,000	27,50,000

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

	Year ended 31 March 2020		Year ended 31 March 2019	
	Number of shares	% holding	Number of shares	% holding
Zuari Finserv Limited	27,50,000	100	27,50,000	100

As per the records of the Company including its register of shareholders/members, the above shareholding represents legal ownerships of shares.



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17 Other equity

	Year ended 31 March 2020	Year ended 31 March 2019
Surplus in the Statement of Profit and Loss		
Opening balance	177.92	112.35
Net profit for the year	158.54	65.37
Other comprehensive income	0.22	0.20
Closing balance	336.68	177.92

18 Provisions

	Non-current		Current	
	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019
Provision for gratuity (refer note 34)	5.70	4.65	0.09	0.07
Provision for compensated absences (refer note 34)	5.30	5.03	0.17	0.18
Total	11.00	9.68	0.26	0.25

19 Trade payables

	Year ended 31 March 2020	Year ended 31 March 2019
<i>Measured at amortised cost</i>		
Total outstanding due of micro enterprises and small enterprises	-	-
Total outstanding due of creditors other than micro enterprises and small enterprises	21.07	32.92
Total	21.07	32.92

Note: Refer note 36 for further details.

20 Other current liabilities

	Year ended 31 March 2020	Year ended 31 March 2019
Statutory dues	7.69	1.71
Total	7.69	1.71



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21 Income tax expense

		Year ended 31 March 2020	Year ended 31 March 2019
Accounting profit		212.09	88.34
Applicable tax rates [refer note (i) below]		25.17%	26.00%
Expected tax expense		53.38	22.97
Impact of changes in tax rates [refer note (i) below]		0.09	-
Actual tax expense	Total	53.47	22.97
Tax expense comprises			
Current tax expense		54.07	23.37
Deferred tax credit		(0.52)	(0.40)
	Total	53.55	22.97

Deferred tax assets:

	As at 31 March 2018	(Charged)/Credited to Profit or Loss	OCI	Year ended 31 March 2019	(Charged)/Credited to Profit or Loss	OCI	Year ended 31 March 2020
Deferred tax liability:							
Total (A)	-	-	-	-	-	-	-
Deferred tax assets:							
Expenses allowable as per income tax laws on payment basis	2.09	0.71	(0.07)	2.73	0.76	(0.07)	3.42
Difference in carrying values of property, plant and equipment per Companies Act and Income tax act	3.09	(0.32)	-	2.77	(0.24)	-	2.53
Unused tax credits (MAT credits)	4.77	4.77	-	-	-	-	-
Total (B)	9.95	5.16	(0.07)	5.50	0.52	(0.07)	5.95
Deferred tax asset/(liability) (B - A)	9.95	5.16	(0.07)	5.50	0.52	(0.07)	5.95

- (i) The Company elected to exercise the option of reduced income-tax rates permitted under section 115BBA of the Income-tax Act 1961 ("the Act"), as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, deferred tax assets (net) are re-measured, basis the rate prescribed in the said section subject to certain conditions as prescribed therein. Impact on account of change in income tax rates amounted to INR 0.18 lacs. The full impact of this change has been recognized during the year ended 31 March 2020. Accordingly, tax expense presented in the financial statements for the year ended 31 March 2020 is higher by one time charge of INR 0.18 lacs on account of remeasurement of deferred tax assets (net).
- (ii) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



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22 Revenue from operations

	Year ended 31 March 2020	Year ended 31 March 2019
Brokerage income	398.49	279.53
Total	398.49	279.53

Note:

The management of the Company believes disaggregation of revenue from operations is not required in accordance with Ind AS 115 "Revenue from contracts with customers". Therefore, disaggregated revenue from operations is not presented. Refer note 41 for further details.

23 Other income

Interest income from:		
Bank deposits	5.02	10.47
Income tax refund	1.84	5.41
Inter-corporate deposits ('ICD')	20.54	-
Security deposits	-	0.28
Profit on sale of property, plant and equipment	-	0.30
Excess provisions written back	6.15	0.15
Gain on fair value measurement of financial assets	7.27	6.21
Miscellaneous incomes	0.64	0.07
Total	41.46	22.89

24 Employee benefits expense

Salaries, wages and bonus	116.68	107.00
Gratuity expenses	1.36	1.22
Contribution to provident fund	3.15	2.97
Staff welfare expenses	0.29	1.37
Total	121.48	112.56

Disclosure in compliance with Ind AS - 19 on "Employee Benefits" are given in note 34.



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25 Depreciation and amortisation expense

	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of property, plant and equipment	1.17	1.27
Total	1.17	1.27

26 Other expenses

Communication	2.73	2.84
Printing and stationery	0.30	0.25
Fees and subscription	1.48	2.85
Travelling and conveyance	5.97	4.20
Insurance	3.44	3.47
Repair and maintenance		
- Computers	1.86	1.83
- Office buildings	11.69	12.40
Amortisation of deferred loss	7.27	6.21
Business support services	32.52	32.86
Legal and professional	5.02	4.53
Auditors remuneration*	3.10	2.33
Bad debts written off	0.63	1.96
Commission	2.23	0.26
Miscellaneous	3.82	0.86
Rent	23.15	23.40
Total	105.21	100.25

*Auditors remuneration (excluding goods and service tax)

Audit fees	2.25	2.00
Certification fees	0.80	0.30
Reimbursement of expenses	0.05	0.03
Total	3.10	2.33

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27 Leases

During the year ended 31 March 2020, the Company has recognised lease rentals for INR 23.15 lacs (31 March 2019: 23.40 lacs).

28 Commitments and contingencies

Claims against the company, not acknowledged as debts - INR Nil (Previous year - Nil).

29 Earnings per share (EPS)

Basic and diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

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

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Profit attributable to equity holders of the Company (INR)	158.54	65.37
Weighted average number of equity shares (No.)	27,50,000	27,50,000
Face value per share (INR)	10.00	10.00
Earning per share (basic and diluted) (INR)	5.77	2.38

30 Capital management

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

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial requirements of the business primarily through shareholders fund. As on date, the Company has no outside borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2020.



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31 Financial risk management objectives and policies

The Company's principal financial liabilities, are trade and other payables. The main purpose of these financial liabilities is limited to maintain the Company's operations. The Company's principal financial assets include investments, trade and other receivables, cash and short-term deposits that are derived directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is Company's policy not to trade in any derivatives for speculative purposes.

Credit risk

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

Applicability**Trade receivables**

Company as a policy deals only with reputed insurance companies who have a good track of making timely payments and major share of company's revenue comes from government insurance companies. The nature of business transactions are continuous and depends upon the continuity of the insurance policies booked through the Company. Insurance companies settle accounts of broking companies on regular interval of time generally monthly. The Company as a matter of prudence books income only after receiving the final confirmation from insurance companies, hence, the chances of non recovery of trade receivables are minimal.

Summary	As at 31 March 2020	As at 31 March 2019
Trade receivables (including unbilled revenues)		
Not due	20.21	60.85
Overdue		
-less than six months	78.32	6.76
-others	-	25.67

Financial instruments and cash deposits

Credit risk from balances with banks, financial institutions and inter company deposits is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only in bank FDR or inter company's investments/loans, post approval from proper authority of the Company.

Further, the Company holds investment in NCRPS of GSML (a fellow subsidiary) and has provided a inter company loan to Zuari Investment Limited (a fellow subsidiary) for which it carries a exposure for credit risk.

Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus operating funds or shareholders fund. The Company's policy is to run organisation as a debt free company.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Upto 1 year	1 to 5 years	> 5 years	Total
As at 31 March 2020				
Trade payables	21.07	-	-	21.07
	21.07	-	-	21.07
As at 31 March 2019				
Trade payables	32.92	-	-	32.92
	32.92	-	-	32.92

Collateral

The Company has pledged part of its short-term deposits in order to fulfil the requirements placed by regulator for operating as Insurance broker. At 31 March 2020 and 31 March 2019, the fair values of the short-term deposits pledged were INR 22.00 lacs and INR 22.00 lacs respectively. The counterparties have an obligation to return the securities to the Company.

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32 Fair value measurements

Financial instruments by category

	Year ended 31 March 2020			Year ended 31 March 2019		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investment in preference shares	50.06	-	-	42.79	-	-
Security deposits including ICDs	-	-	246.42	-	-	6.42
Balances with banks - in deposit accounts (maturing after period of 12 months) and interest accrued there on	-	-	40.48	-	-	39.55
Trade receivables	-	-	78.32	-	-	32.43
Cash and cash equivalents (including other bank balances)	-	-	72.50	-	-	149.35
Other financial assets	-	-	41.29	-	-	61.78
Total financial assets	50.06	-	479.01	42.79	-	289.53
Financial liabilities						
Trade payables	-	-	21.07	-	-	32.92
Total financial liabilities	-	-	21.07	-	-	32.92

The management of the Company has assessed that the carrying amount of the financial assets and financial liabilities measured at amortised cost, are approximately equal to their fair values as at respective balance sheet dates and do not significantly vary from the amounts reported.

Financial value hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based in the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

Quantitative disclosures of fair value measurement hierarchy as at 31 March 2020:

Financial instruments measured at fair value (recurring fair value measurements)	Date of valuation	Total	Level 1	Level 2	Level 3
Financial assets					
<i>Financial investments at FVTPL</i>					
Investment in preference shares	Year ended 31 March 2020	50.06	-	-	50.06

There have been no transfers between Level 1 and Level 2 during the year.

Quantitative disclosures of fair value measurement hierarchy as at 31 March 2019:

Financial instruments measured at fair value (recurring fair value measurements)	Date of valuation	Total	Level 1	Level 2	Level 3
Financial assets					
<i>Financial investments at FVTPL</i>					
Investment in preference shares	Year ended 31 March 2019	42.79	-	-	42.79

There have been no transfers between Level 1 and Level 2 during the year.

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33 Fair values

The management assessed that cash and cash equivalents, trade receivables and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2020 and 31 March 2019 are as shown below:

Description	Investment in NCRPS of GSML		
Valuation technique	Discounted cash flow method		
Significant unobservable inputs	Average borrowing rate of the instrument issuer company		
Probable weighted range	31 March 2020: 14% - 17% (16%) 31 March 2019: 14% - 17% (16%)		
Sensitivity of the input to fair value		31 March 2020	31 March 2019
	+0.50%	(1.22)	(1.61)
	-0.50%	1.19	1.68

The valuation of financial assets measured at fair value using level 3 inputs is carried out by finance head of the Company who directly report to board of directors of the Company.

They consider average borrowing rates of the issuer of the instrument and tracks for changes in financial position.

Reconciliation of fair value measurement of unquoted preference shares classified as FTVPL assets:

	Investment in NCRPS of GSML
As at 31 March 2018	36.58
Purchases during the year	-
Re-measurement gain recognised in statement of profit and loss	6.21
As at 31 March 2019	42.79
Purchases during the year	-
Re-measurement gain recognised in statement of profit and loss	7.27
As at 31 March 2020	50.06

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34 Gratuity

	31 March 2020	31 March 2019
Plans		
- Gratuity (unfunded)	5.79	4.72

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for gratuity:

Net employee benefit expense (recognised in employee cost) for the year ended :

	31 March 2020	31 March 2019
Current service cost	0.99	0.93
Net interest cost	0.37	0.29
	1.36	1.22

Amount recognised in other comprehensive income for the year ended :

	31 March 2020	31 March 2019
Actuarial gain on obligations	(0.29)	-0.27

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

	31 March 2020	31 March 2019
Opening defined obligations	4.72	3.77
Current service cost	0.99	0.93
Interest cost	0.37	0.29
Benefits paid	-	-
Actuarial gain on obligations	(0.29)	(0.27)
Defined benefit obligation	5.79	4.72

The Company expects to contribute INR 160,013 (Previous year INR 139.819) towards gratuity during the year 2019-20

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	31 March 2020	31 March 2019
Discount rate (in %)	6.85%	7.75%
Salary escalation (in %)	8% for 1 st two years & 6.5% thereafter	9% for 1 st two years & 7.5% thereafter
Retirement age	60 Years	60 Years

Gratuity Plan

Assumptions	31 March 2020			
	Discount rate		Future salary increases	
Sensitivity level	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Impact on defined benefit obligation (INR)	(0.30)	0.33	0.32	(0.30)

Assumptions	31 March 2019			
	Discount rate		Future salary increases	
Sensitivity level	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Impact on defined benefit obligation (INR)	(0.27)	0.29	0.29	(0.27)

Note -

- Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.
- Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.
- The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	31 March 2020	31 March 2019
Less than a year	0.09	0.08
Between 1 - 2 years	0.10	0.08
Between 2 - 5 years	0.28	0.23
Over 5 years	5.32	4.33
Total	5.79	4.72

The average duration of the defined benefit plan obligation at the end of the reporting period is 16.41 years (31 March 2019: 16.41 years).



(All amounts in INR lacs, unless otherwise stated)

Leave encashment

	31 March 2020	31 March 2019
Provisions	5.47	5.21
Amount recognised in the statement of profit and loss is as under:		
Current service cost	1.04	1.11
Interest cost	0.40	0.28
Actuarial loss recognised during the year	0.64	0.28
Amount recognised in the statement of profit and loss	2.08	1.67

Defined contribution plans

The Company has also certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of the basic salary as per regulations. The contributions are made to registered provident fund administered by government of India. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations. The expense recognised during the year towards defined contribution plan is INR 3.15 lacs (31 March 2019 - INR 2.97 lacs).

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35 Related party disclosures as per Ind AS 24:

A. The list of related parties as identified by the management is as under:

Nature of transactions /outstanding balance	As at 31 March 2020	As at 31 March 2019
i) Holding company:		
<i>Zuari Finserv Limited</i>		
Opening balance	20.45	1.00
Rent expenses	23.15	23.15
Depository / RTA expenses	0.12	0.22
Payments made by them on our behalf	6.36	15.31
Employee benefit cost transferred to the Company (refer note 38)	43.50	43.86
Other expenses transferred to the Company	11.39	-
Closing balance (trade payables)	3.10	20.45
ii) Fellow subsidiary of holding company:		
<i>Zuari Investments Limited</i>		
Opening balance	-	-
ICDs given	277.50	-
ICDs received	37.50	-
Interest income accrued	20.54	-
Closing balance (current loans)	240.00	-
Closing balance (current financial assets)	16.21	-
ii) Ultimate holding company:		
<i>Zuari Global Limited</i>		
Opening balance	0.21	-
Payments made on our behalf	-	0.19
Closing balance (trade payables)	0.21	0.21

36 Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED),2006 :

Particulars	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid	-	-
Interest accrued and due thereon remaining unpaid	-	-
Interest paid by the company in terms of service 16 of MSMED Act 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year), but without adding the interest specified under MSMED Act ,2006.	-	-
Interest accrued and remaining unpaid as at the end of the year	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

37 Particulars of loans given in accordance with Section 186(4) of the Companies Act, 2013, as amended:

Particulars	As at 31 March 2020	As at 31 March 2019
Zuari Investments Limited ('ZIL') (@12%p.a.)		
<i>(financial assistance for general business purposes)</i>		
Opening Balance	-	-
Loans given during the year	277.50	-
Loans repaid during the year	37.50	-
Adjustments for processing charges	-	-
Closing balance	240.00	-



Zuari Insurance Brokers Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts in INR lacs, unless otherwise stated)

38 Employee benefit expenses includes INR 43.50 lacs (31 March 2019: INR 43.86 lacs) for cost transferred from Zuari Finserv Limited (holding company) in respect of services rendered by employees of holding company to the Company.

39 Changes in accounting policies:

Except for the changes below, the Company has consistently applied the accounting policies to all periods presented in these financial statements.

The Company has adopted revised reporting i.e. Ind AS 116 with effect from 1 April 2019 using "Modified Retrospective Approach". There is no impact of adoption of Ind AS 116 on the retained earnings of the Company on transition date as the Company has availed practical expedient available in the revised reporting standard for transition. It says, the leases for which the lease term ends within 12 months of the date of initial application i.e. 1 April 2019, the entity shall account for those leases in the same way as short-term leases. As on transition date, there were no leases with lease term being more than 12 months on the transition date and therefore, the Company has accounted for all the lease on date of transition as short term leases as described in the accounting standard. Also, during the year ended 31 March 2020, the Company has not entered into any such leases.

40 Segment information

The company's business activities falls broadly within a single primary business segment namely Insurance Broking services and therefore there is no reportable segment as per the management.

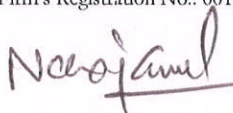
41 The global outbreak of corona virus disease ('COVID-19') pandemic is causing significant economic slowdown and disruption of business operations. There are uncertainties regarding the impact of COVID-19 is going to have on the operations of the Company and the management of the Company is closely monitoring the developments. The management has considered possible effects of the pandemic on the carrying value of assets and business forecasts. In developing the assumptions relating to the possible impacts of this pandemic, the Company used internal and external information upto the date of approval of these financial statements. The impact of the pandemic on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the management will continue to closely monitor any material changes.

As per our report of even date

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Neeraj Goel

Partner

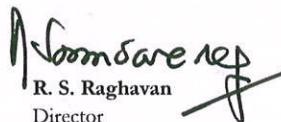
Membership No. 099514

Place: Gurugram

Date: 18 June 2020



For and on behalf of the Board of Directors of
Zuari Insurance Brokers Limited



R. S. Raghavan

Director

(DIN-00362555)

Place: Gurugram

Date: 18 June 2020



Vijay Kathuria

Director

(DIN-00338125)

Place: New Delhi

Date: 18 June 2020