

INDEPENDENT AUDITORS' REPORT

To

**The Members of
Master Insurance Brokers Limited**

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **Master Insurance Brokers Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In 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, of the state of affairs of the Company as at March 31, 2019, its profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. 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 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Since the other information has not been made available to us, we shall not be able to comment on this aspect.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

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

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- 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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g) In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year; and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Ludhiana, 28th May, 2019

For Manjeet Singh & Co.
Chartered Accountants
FRN 011831N

Manjeet Singh
Prop.
(Membership No. 088759)

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(b) Fixed assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no immovable properties are owned by the Company, accordingly the provisions of clause 3 (i) (c) of the Order are not applicable to the Company.
2. The company's business doesn't involve inventories and accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.
3. The Company has not granted unsecured loans to parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of clause 3 (iii) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 read with section 186 and section 186 of the Act, with respect to loans, investments, guarantees and security, as applicable.
5. The company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. a) According to the information and explanations given to us and on the basis of our examination of the record of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, Goods and Service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, Goods and Service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it were in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, Goods and Service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

8. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to the debenture holders.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
10. According to the information and explanations given to us, no material fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not paid/provided for managerial remuneration.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Ludhiana, 28th May, 2019

For Manjeet Singh & Co.
Chartered Accountants
FRN 011831N

Manjeet Singh
Prop.
(Membership No. 088759)

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Master Insurance Brokers Limited** ('the Company') as of 31 March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Ludhiana, 28th May, 2019

For Manjeet Singh & Co.

Chartered Accountants

FRN/011831N



MASTER INSURANCE BROKERS LIMITED

Balance Sheet as at 31 March, 2019

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
		Rs.	Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	7,500,000	5,000,000
Reserves and surplus	2	6,995,290	6,901,736
		14,495,290	11,901,736
Current liabilities			
Other current liabilities	3	1,144,782	1,141,108
Short-term provisions	4	1,539,182	1,212,805
		2,683,964	2,353,913
TOTAL		17,179,254	14,255,649
ASSETS			
Non-current assets			
Fixed assets - Tangible	5	261,872	332,795
Deferred tax assets	6	427,365	330,015
Long-term loans and advances	7	4,601,112	4,506,603
		5,290,349	5,169,413
Current assets			
Trade receivables	8	2,517,884	2,032,687
Cash and cash equivalents	9	8,705,665	6,556,084
Short-term loans and advances	10	665,356	497,465
		11,888,905	9,086,236
TOTAL		17,179,254	14,255,649
Significant Accounting Policies			
The accompanying notes are an integral part of the financial statements			

As per our Report of even date

For Master Insurance Brokers Ltd.

For Manjeet Singh & Co.
Chartered Accountants
Firm Registration Number 011831N



Manjeet Singh
Prop.
Membership Number 088759


R. K. Singhania
Director
DIN-00077540


Harjeet Singh Arora
Director
DIN-00063176

Ludhiana, 28th May, 2019

MASTER INSURANCE BROKERS LIMITED

Statement of Profit and Loss for the year ended 31st March, 2019

Particulars	Note	For the year ended 31st March, 2019	For the year ended 31st March, 2018
		Rs.	Rs.
INCOME			
Revenue from operations	11	15,639,618	16,776,279
Other income	12	314,125	310,656
Total Revenue		15,953,743	17,086,935
Expenses			
Employee benefits expense	13	9,566,241	8,481,673
Depreciation	5	137,207	108,005
Other expenses	14	2,744,778	6,161,455
Total Expenses		12,448,226	14,751,133
Profit before tax		3,505,517	2,335,802
Tax expense:			
Current tax expense for current year		910,000	750,000
Deferred tax		(97,350)	(121,606)
Current tax expense relating to prior years		99,313	80,416
Profit for the year		2,593,554	1,626,992
Earnings per equity share of face value Rs. 10 Basic and Diluted (in Rs.)		3.46	2.17
Weighted average number of shares outstanding		750,000	750,000
Significant Accounting Policies			
The accompanying notes are an integral part of the financial statements			


As per our Report of even date

For Manjeet Singh & Co.
Chartered Accountants
Firm Registration Number 011831N


Manjeet Singh
Prop.
Membership Number 088759

Ludhiana, 28th May, 2019

For Master Insurance Brokers Ltd.


R. K. Singhania
Director
DIN-00077540


Harjeet Singh Arora
Director
DIN-00063176

MASTER INSURANCE BROKERS LIMITED

Cash Flow Statement for the year ended 31st March, 2019

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit before tax and extraordinary items		3,505,517		2,335,802
<i>Adjustments for:</i>				
Depreciation and amortisation	137,207		108,005	
Provision for Gratuity	326,377		577,232	
Profit on Sale of Fixed Assets	-		-	
		463,584		685,237
Operating profit before working capital changes		3,969,101		3,021,039
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Trade receivables	(485,197)		343,992	
Short-term loans and advances	(167,891)		218,265	
Long-term loans and advances	(1,004,509)		(1,469,573)	
<i>Adjustments for increase in operating liabilities:</i>				
Other current liabilities	3,674		306,321	
		(1,653,923)		(600,995)
		2,315,178		2,420,044
Cash flow from extraordinary items		-		-
Cash (used in)/generated from operations		2,315,178		2,420,044
Net income tax (paid)		(99,313)		(80,416)
Net cash flow from / (used in) operating activities (A)		2,215,865		2,339,628
B. Cash flow from investing activities				
(Purchase)/Sale of Fixed Assets		(66,284.00)		(112,743.00)
Net cash flow from / (used in) investing activities (B)		(66,284.00)		(112,743.00)
C. Cash flow from financing activities				
Net cash flow from / (used in) financing activities (C)		-		-
Net Increase/ (Decrease) in Cash and cash equivalents (A+B+C)		2,149,581		2,226,885
Cash and cash equivalents at the beginning of the year		6,556,084		4,329,199
Cash and cash equivalents at the end of the year		8,705,665		6,556,084

As per our Report of even date

For Manjeet Singh & Co.
Chartered Accountants
Chartered Accountants



R. K. Singhania
Director
DIN-00077540

For and on behalf of the Board

Harjeet Singh Arora
Director
DIN-00063176

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014.

B. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

C. Fixed Assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

D. Depreciation and Amortization

Depreciation on fixed assets is provided on the straight line method using the rates arrived at based on useful life of the assets prescribed under Schedule II of the Companies Act, 2013 which is also as per the useful life of the assets estimated by the management.

E. Impairment of Assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit & Loss Account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

F. Investments

Current investments are carried at lower of cost and fair value. Long Term investments are stated at cost. Provision for diminution in the value of long- term investments is made only if such a decline is other than temporary.

G. Revenue Recognition

The Company follows the mercantile system of accounting and recognized Profit & Loss on that basis.

H. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

I. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

J. Provisions and contingencies

Contingent liabilities, if material, are disclosed by way of notes, contingent assets are not recognized or disclosed in the financial statements. A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation.

Notes forming part of the financial statements

Note 1 Share capital

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	Amount	Number of shares	Amount
Authorised, Issued & Subscribed				
Equity shares of Rs.10 each	750,000	7,500,000	500,000	5,000,000

1.1 The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share.

1.2 The details of shares held by holding company:

Name of the shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares held	% of holding	Number of shares held	% of holding
Master Capital Services Ltd	750,000	100	500,000	100

1.3 The details of shareholders holding more than 5% shares:

Name of the shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares held	% of holding	Number of shares held	% of holding
Master Capital Services Ltd	750,000	100	500,000	100

1.4 The reconciliation of the number of shares and amount outstanding is set out below :

Particulars	As at 31st March, 2019 Number of shares	As at 31st March, 2018 Number of shares
Equity Shares at the beginning of the year	500,000	500,000
Add: Allotment of bonus shares	250,000	-
Equity Shares at the end of the year	750,000	500,000

Notes forming part of the financial statements

Note 2 Reserves and surplus

Particulars	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
General Reserve As per last Balance Sheet	70	70
Profit and Loss Account As per last Balance Sheet	6,901,666	5,274,674
Add: Profit for the year	2,593,554	1,626,992
Less: Amount utilised towards Issue of fully paidup bonus shares during the year	2,500,000	-
Closing balance	6,995,220	6,901,666
Total	6,995,290	6,901,736

Note 3 Other current liabilities

Particulars	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Statutory dues	375,135	454,167
Other payables	769,647	686,941
Total	1,144,782	1,141,108

Note 4 Short-term provisions

Particulars	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Provision for gratuity	1,539,182	1,212,805
Total	1,539,182	1,212,805

Notes forming part of the financial statements

Note 5 Fixed assets - Tangible

Particulars	Gross block			Accumulated depreciation			Net block		
	Balance as at 1st April, 2018 Rs.	Additions Rs.	Disposals Rs.	Balance as at 31st March, 2019 Rs.	Balance as at 1st April, 2018 Rs.	Depreciation expense for the period Rs.	Eliminated on disposal of assets Rs.	Balance as at 31st March, 2019 Rs.	Balance as at 31st March, 2018 Rs.
Furniture and Fixtures	332,141	15,600	-	347,741	222,035	36,650	-	258,685	110,106
Office equipment	123,570	2,584	-	126,154	86,275	9,948	-	96,223	37,295
Computer	293,080	48,100	-	341,180	107,686	90,609	-	198,295	185,394
Total	748,791	66,284	-	815,075	415,996	137,207	-	553,203	332,795
Previous year	636,048	112,743	-	748,791	307,991	108,005	-	415,996	328,057

Notes forming part of the financial statements

Note 6 Deferred Tax Asset

Particulars	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Deferred Tax Asset Related to fixed assets	27,178	17,718
Related to Gratuity	400,187	312,297
Total	427,365	330,015

Note 7 Long-term loans and advances

Particulars	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Security deposits Unsecured, considered good	3,000,000	3,000,000
Advance income tax (net of provision for tax)	1,601,112	1,506,603
Total	4,601,112	4,506,603

Note 8 Trade receivables

Particulars	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	-	-
Trade receivables Others	2,517,884	2,032,687
Total	2,517,884	2,032,687

Note 9 Cash and cash equivalents

Particulars	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Cash on hand	2,809	579
Balances with banks In current accounts	4,640,522	2,555,505
In deposit accounts *	4,062,334	4,000,000
Total	8,705,665	6,556,084

Note* Lien on FDR amounting to Rs. 10 Lac marked in favour of IRDA

Notes forming part of the financial statements

Note 10 Short-term loans and advances

Particulars	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Prepaid expenses - Unsecured, considered good	109,913	31,431
Other Receivable Unsecured, considered good	555,443	466,034
Total	665,356	497,465

Note 11 Revenue from operations

Particulars	For the year ended 31st March, 2019 Rs.	For the year ended 31st March, 2018 Rs.
Brokerage Income	15,639,618	16,776,279
Total	15,639,618	16,776,279

Note 12 Other income

Particulars	For the year ended 31st March, 2019 Rs.	For the year ended 31st March, 2018 Rs.
Other non-operating income Interest/Other Income	314,125	310,656
Total	314,125	310,656

Note 13 Employee benefits expense

Particulars	For the year ended 31st March, 2019 Rs.	For the year ended 31st March, 2018 Rs.
Salaries and wages	9,269,864	8,136,646
Contributions to provident funds	128,406	147,839
Staff welfare expenses	167,971	197,188
Total	9,566,241	8,481,673

Notes forming part of the financial statements

Note 14 Other expenses

Particulars	For the year ended 31st March, 2019 Rs.	For the year ended 31st March, 2018 Rs.
Audit Fees	37,500	30,000
Statuary Audit		
Tax Audit	12,500	10,000
Conveyance Expenses	222,151	273,255
Electricity & Water Charges	177,789	155,808
Fee & Taxes	60,530	113,363
Administrative /General expenses	137,540	4,027,660
Insurance Expenses	50,044	69,788
Printing & Stationery	16,507	24,277
Telephone Expenses	47,495	79,753
Tour & Travelling Expenses	95,392	634,161
Training, Seminar & Risk Management Expenses	163,900	7,500
Postage & Registration Expenses	22,371	22,629
Repair & Maintenance	50,059	144,639
Rent	1,651,000	568,622
Total	2,744,778	6,161,455

CERTIFICATE AS PER 34(6) IRDAI(INSURANCE BROKERS) REGULATION, 2018.

This is to certify that all incomes earned by M/s Master Insurance Brokers Ltd is Rs. 1,67,76,279/- (Rs. One Crore Sixty Seven Lacs Seventy Six Thousands Two Hundred Seventy Nine only) during the Financial Year 2017-18 and Rs. 1,56,39,618/- (Rs. One Crore Fifty Six Lacs Thirty Nine Thousands Six Hundred Eighteen only) during the Financial Year 2018-19 from insurers and insurer's group companies. The insurer-wise details of the above said incomes is also enclosed herewith.

Insurer Wise Details of all brokerage Incomes for the FY 2017-18 and FY-2018-19

INSURER NAME	2018-19	2017-18
	AMOUNT	AMOUNT
ADITYA BIRLA SUNLIFE INSURANCE CO. LTD.	34,437	36,988
APOLLO MUNICH HEALTH INS CO. LTD.	73,633	91,177
BAJAJ ALLIANZ GEN INS CO. LTD.	741,409	152,091
BHARTI AXA GENERAL INSURANCE CO. LTD.	31,935	2,612
ECGC LTD.	-	129,750
CIGNA TTK HEALTH INSURANCE CO. LTD.	972	-
DHFL PRAMERICA LIFE INSURANCE CO. LTD.	16,060	-
FUTURE GENERAL INDIA INS CO. LTD.	631,689	85,861
HDFC ERGO GEN INSURANCE CO. LTD.	1,353,656	2,170,740
ICICI LOMBARD GEN INSURANCE CO. LTD.	589,234	766,705
ICICI PRUDENTIAL LIFE INSURANCE CO.LTD.	18,622	20,324
IFFCO TOKIO GEN INSURANCE CO. LTD.	144,022	178,909
LIC OF INDIA	-	141,071
LIBERTY GENERAL INSURANCE LTD.	5,595	-
NATIONAL INSURANCE CO. LTD.	1,609,412	3,195,406
MAX LIFE INSURANCE CO. LTD.	-	1,043
PNB METLIFE INDIA INSURANCE CO. LTD.	-	332,085
RELIANCE GEN INSURANCE CO. LTD.	30,175	31,001
RELIGARE HEALTH INSURANCE CO. LTD.	100,606	120,174
ROYAL SUNDARAM GENERAL INSURANCE CO. LTD.	63,387	-
SBI GEN INSURANCE CO. LTD.	999,897	3,423,968
SBI LIFE INSURANCE CO. LTD.	-	2,396
STAR HEALTH & ALLIED INSURANCE CO. LTD.	135,127	126,458
TATA AIG GEN INSURANCE CO. LTD.	152,393	84,610
THE NEW INDIA ASSURANCE CO. LTD.	7,831,313	3,651,136
THE ORIENTAL INSURANCE CO. LTD.	440,986	955,616
UNITED INDIA INSURANCE CO. LTD.	635,058	1,076,158
TOTAL	15,639,618	16,776,279

16. Contingent Liabilities

No Contingent Liability exists at the end of financial year

17. Balances of Trade Receivables and Loans & Advances are subject to confirmation. In the opinion of Board of Directors, Current assets, Loans & Advances have the value at which they are stated, if realized in ordinary course of business. Certain expenses for use of common facilities/services have been shared with its holding company.

18. Related Party Disclosures

As required by AS-18, Related Party Disclosures, are given below:

Holding/Fellow Subsidiaries	Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives	Key Management Personnel and their Relatives
Master Trust Ltd	Prime Industries Ltd.	Mr. Harjeet Singh Arora
Master Capital Services Ltd.	Master Share & Stock Brokers Ltd.	Mr. R K Singhania
Master Commodity Services Ltd	H.K Arora Real Estate Service Ltd	Mrs. Harneesh Kaur Arora
Master Portfolio Services Ltd.	Big Build Real Estate Pvt Ltd	Mrs. Parveen Singhania
H A Share & Stock Brokers Ltd	Amni Real Estate Pvt Ltd	Mr. Puneet Singhania
Master Infrastructure & Real Estate Developers Ltd.	Matria Estate Developers Pvt Ltd	Mr. Chirag Singhania
	Master Trust Wealth Pvt Ltd	Mrs. Palka A Chopra
	Gold Touch Agri Private Ltd.	Mr. Jashanjyot Singh
	Prime Agro Farms Pvt.Ltd.	Mr. D S Minocha
	Eminent Buildwel Pvt. Ltd.	Mrs. Rohila Singhania
	Master Projects Pvt. Ltd.	Mrs. Isha Singhania
	Sanawar Agri Pvt. Ltd.	Mrs.Priyanka Thukral
	Arora Financial Services Ltd.	
	Bluecircle Investments	
	Crescent Investments	
	Sanawar Investments	
	Saintco India (P) Ltd	
	Singhania Properties.	
	Partnership Firms	

Transactions with related parties

In Lacs

Transactions with related parties	Holding/ Fellow Subsidiaries	Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives	Key Management Personnel and their Relatives	Total
Rent Paid	0.60 (0.60)	----- (-----)	9.49 (0.48)	10.09 (1.08)
Remuneration	----- (-----)	----- (-----)	13.51 (11.01)	13.51 (11.01)
Deposit for Office	----- (-----)	----- (-----)	30.00 (30.00)	30.00 (30.00)

19. The company is engaged in Insurance broking and allied activities and there are no separate reportable segments as per Accounting standard -17 on "Segment reporting".
20. Disclosures, relating to amounts unpaid as at the year end together with interest required under the Micro, Small and Medium Enterprises Development Act, 2006 have been given to the extent company has received intimation from "Suppliers" regarding their status under the said Act.
21. Miscellaneous expenditure has been written off to the extent of 20% p.a.
22. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

For Manjeet Singh & Co.

Chartered Accountants

FRN-011831N



Manjeet Singh

Prop.

Membership Number 088759

For and on behalf of the Board

R.K.Singhania

Director

DIN-00077540

Harjeet Singh Arora

Director

DIN-00063176

Ludhiana, 28th May, 2019