

Particulars		Note No.	As at March 31, 2023	As at March 31, 2022
<b>A</b>	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	4	1,277.11	1,523.03
	(b) Right of Use Assets	5	4,106.97	8,488.59
	(c) Other Intangible assets	6	13,061.83	4,919.90
	(d) Intangible assets under development	7	825.00	3,757.90
	(e) Other financial asset	8	1,837.56	2,041.84
	(f) Deferred tax assets (Net)	9	2,177.52	3,068.10
	(g) Current Tax Asset (Net)		4,266.21	2,975.45
	(h) Other non-current assets	10	34.35	34.35
	<b>Total Non - Current Assets</b>		<b>27,386.55</b>	<b>26,808.96</b>
2	<b>Current assets</b>			
	(a) Financial Assets			
	(i) Trade receivables	11	13,112.56	5,369.16
	(ii) Cash and bank balances	12 (i)	2,778.28	29,849.94
	(iii) Bank balances other than (ii) above	12 (ii)	17,383.58	45,082.55
	(iv) Other financial assets	8	1,184.44	3,073.53
	(b) Other current assets	10	1,145.66	1,501.67
	<b>Total Current Assets</b>		<b>35,604.50</b>	<b>84,876.85</b>
	<b>Total Assets</b>		<b>62,991.05</b>	<b>1,11,685.81</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity Share capital	13	15,700.00	15,700.00
	(b) Other Equity	14	16,021.35	86,086.54
	<b>Total Equity</b>		<b>31,721.35</b>	<b>81,786.54</b>
	<b>Liabilities</b>			
2	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	Lease Liabilities	15	5,409.89	9,270.29
	(b) Provisions	16	5,896.17	5,699.35
	(c) Other non-current liabilities	17	1,069.33	787.02
	<b>Total Non - Current Liabilities</b>		<b>12,375.39</b>	<b>15,756.66</b>
3	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	Lease Liabilities	15	809.39	1,201.49
	Trade payables			
	- Total outstanding dues of Micro, Small and Medium Enterprises			
	- Total outstanding dues of creditor's other than Micro, Small and Medium Enterprises	18	218.11	624.14
	(b) Provisions	16	1,044.79	1,544.48
	(c) Current tax liabilities (Net)	19	4,590.31	4,061.94
	(d) Other current liabilities	17	12,231.71	6,710.56
	<b>Total Current Liabilities</b>		<b>18,894.31</b>	<b>14,142.61</b>
	<b>Total Equity and Liabilities</b>		<b>62,991.05</b>	<b>1,11,685.81</b>

Accompanying notes form an integral part of the financial statements

45

As per our report on even date  
For Mukund M Chitale & Co.  
Chartered Accountants  
Firm Registration No. 106655W

*Chougule*

Vaibhav . A. Chougule  
Partner  
Membership No. 132680



Valapad,  
Date: May 8, 2023



For and on behalf of the Board of Directors

*V.P. Nandakumar*  
V.P. Nandakumar  
(Chairman)  
DIN: 00044512

*K.M. Rajesh*  
K.M. Rajesh  
(CEO & Principal Officer)

Anjurose Paulson  
(Company Secretary)

Valapad,  
Date: May 8, 2023

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

Manappuram Insurance Brokers Limited  
Statement of Profit and Loss account for the Year ended March 31, 2023

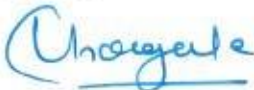
(₹ in thousands)

Particulars	Note No	Year Ended	
		31.03.2023	31.03.2022
I Revenue from operations	20	1,20,131.47	1,09,146.22
II Other Income	21	1,733.53	4,111.62
III Total Revenue (I + II)		1,21,865.00	1,13,257.84
IV Employee benefit expense	22	50,720.81	45,237.72
V Finance costs	23	1,367.56	1,377.77
VI Depreciation and amortisation expense	6.1	4,739.34	3,109.11
VII Other expenses	24	23,380.74	18,240.09
VIII Total Expenses (IV+V+VI+VII)		80,208.45	67,964.69
IX Profit before tax (III - VIII)		41,656.55	45,293.15
Tax Expense			
(1) Current tax	32	10,170.76	12,253.06
(2) Deferred tax	32	(27.11)	(265.29)
X Total tax expense		10,143.65	11,987.77
XI Profit for the year (IX - X)		31,512.90	33,305.38
XII Other comprehensive income Items that will not be reclassified to profit or loss and tax expenses and Deferred Tax Thereon		(1,194.09)	(1,259.86)
XIII Total comprehensive income for the year		30,318.81	32,045.52
XIV Earnings per equity share:			
(1) Basic	33	20.07	21.21
(2) Diluted	33	20.07	21.21

Accompanying notes form an integral part of the financial statements


As per our report on even date  
For Mukund M Chitale & Co.  
Chartered Accountants  
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For and on behalf of the Board of Directors



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Partner  
Membership No. : 132680

  
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Valapad,  
Date: May 8, 2023

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Manappuram Insurance Brokers Limited  
Cash Flow Statement for the year ended March 31, 2023

(₹ in thousands)

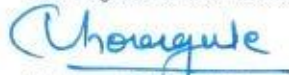
PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts towards brokerage (I)	1,12,388.07	1,09,328.93
Cash paid to suppliers and employees (II)	(67,500.07)	(62,188.78)
Cash generated from operations ( I - II )	44,888.00	47,140.15
Income taxes paid (net of refund)	(12,340.44)	(13,936.44)
Cash flow before extraordinary item	32,547.56	33,203.71
Extraordinary item	-	-
<b>Net cash flow from operating activities (A)</b>	<b>32,547.56</b>	<b>33,203.71</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property, plant and equipment including Capital advances	(9.29)	(3,945.45)
Capital expenditure on intangible asset and intangible asset under development	(8,099.14)	(3,357.90)
Bank balances not considered as cash and cash equivalents		
- Placed	(62,818.18)	(54,895.88)
- Matured	90,517.17	44,988.86
Interest Received	3,516.42	3,032.20
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>23,106.98</b>	<b>(14,178.17)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interim Dividend paid	(80,384.00)	-
Payment towards Lease Liabilities	(2,342.20)	(2,616.88)
<b>Net cash used in financing activities (C)</b>	<b>(82,726.20)</b>	<b>(2,616.88)</b>
<b>Net increase in cash and cash equivalents (A)+(B)+(C)</b>	<b>(27,071.66)</b>	<b>16,408.66</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>29,849.94</b>	<b>13,441.28</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,778.28</b>	<b>29,849.94</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents	20,161.84	74,932.49
Less: Bank balances not considered as Cash and cash equivalents as defined in Ind AS 7 Cash Flow Statements:		
(i) In other deposit accounts		
- original maturity more than 3 months	17,383.56	45,082.55
<b>Net Cash and cash equivalents (as defined in Ind AS 7 Cash Flow Statements)</b>	<b>2,778.28</b>	<b>29,849.94</b>

**Note:**

The above cash flow statement has been prepared as prescribed by the Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018 (amended upto 30.10.2019) under the "Direct Method" as laid out in Indian Accounting Standard (Ind AS) - 7 on Statements of Cash flows as specified under the Companies Act, 2013.

Accompanying notes form an integral part of the financial statements

As per our report on even date  
For **Mukund M Chitale & Co.**  
Chartered Accountants  
Firm Registration No. 106655W



**Vaibhav . A. Chougule**  
Partner  
Membership No. : 132680



Valapad,  
Date: May 08, 2023

For and on behalf of the Board of Directors

  
**V.P. Nandakumar**  
(Chairman)  
DIN : 00044512

  
**Jyothi Prasannan**  
(Director)  
DIN : 00044371

  
**K.M. Rajesh**  
(CEO & Principal Officer)

  
**Shanto Paul**  
(Chief Financial Officer)

  
**Anjurose Paulson**  
(Company Secretary)

Valapad,  
Date: May 08, 2023



Manappuram Insurance Brokers Limited  
Statement of changes in Equity for the year ended March 31, 2023

A. Equity share capital

(₹ in thousands)

Equity share capital for the F.Y. 2022-23

Balance at the beginning of the current reporting period	Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
15,700	15,700	-	15,700

(₹ in thousands)

Equity share capital for the F.Y. 2021-22

Balance at the beginning of the current reporting period	Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
15,700	15,700	-	15,700

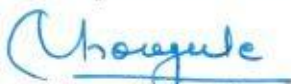
B. Other Equity

(₹ in thousands)

Particulars	Reserves and Surplus			Total
	Share Option Outstanding	General reserve	Retained earnings	
<b>Balance at April 1, 2022</b>	2,604.54	600.00	62,882.00	66,086.54
Profit for the year after income tax	-	-	31,512.90	31,512.90
Other comprehensive income for the year, net of income tax	-	-	(1,194.09)	(1,194.09)
Interim Dividend	-	-	(80,384.00)	(80,384.00)
Transfer to retained earnings	(2,604.54)	-	2,604.54	-
<b>Balance at March 31, 2023</b>	-	<b>600.00</b>	<b>15,421.35</b>	<b>16,021.35</b>
<b>Balance at April 1, 2021</b>	2,604.54	600.00	30,836.48	34,041.02
Profit for the year after income tax	-	-	33,305.38	33,305.38
Other comprehensive income for the year, net of income tax	-	-	(1,259.86)	(1,259.86)
<b>Balance at March 31, 2022</b>	<b>2,604.54</b>	<b>600.00</b>	<b>62,882.00</b>	<b>66,086.54</b>

Accompanying notes form an integral part of the financial statements

As per our report on even date  
For **Mukund M Chitale & Co.**  
Chartered Accountants  
Firm Registration No. 106655W



**Vaibhav . A. Chougule**  
Partner  
Membership No. : 132680



Valapad,  
Date: May 08, 2023

For and on behalf of the Board of Directors

  
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(Company Secretary)

Valapad,  
Date: May 08, 2023

  
**Jyothi Prasannan**  
(Director)  
DIN : 00044371

  
**Shanto Paul**  
(Chief Financial Officer)



**Accounting Policies**

**Note No. 1: Corporate Information**

Manappuram Insurance Brokers Limited (the "Company") is a public limited company incorporated on October 17, 2002 vide certificate of incorporation U66010KL2002PLC015699 issued by the Registrar of Companies, Kerala. The company's registered office is at second floor, Manappuram House, Valapad, Thrissur. The Company is an Insurance Regulatory and Development Authority of India ("IRDAI") registered Broker in the category "Direct" for Life and General Insurance Business. The Company has renewed its IRDAI Licence for a period of 3 years from November 2, 2021 to November 1, 2024.

The parent company is Manappuram Finance Limited, a company incorporated in Thrissur, Kerala.

**Note No. 2: Basis of preparation and presentation**

**a. Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 (the 'Act'), other relevant provisions of the Act and is in conformity with accounting principles generally accepted in India.

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

The financial statements of the Company for the year ended 31st March 2023 were approved for issue in accordance with the resolution of the Board of Directors on 29th May 2023.

**b. Functional and presentation currency**

The financial statements are presented in Indian Rupees which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All amounts are rounded-off to the nearest thousands, unless otherwise indicated.

**c. Basis of measurement**

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

**d. Measurement of fair values**

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

The Company has established policies and procedures with respect to the measurement of fair values. The Chief Financial Officer and person entrusted has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, including assessments that these valuations meet the requirements of Ind AS 113.

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

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

**e. Use of estimates, judgments and assumptions**

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Following are areas that involved a higher degree of judgement or complexity in determining the carrying amount of some assets and liabilities. Detailed information about each of these estimates and judgements that have a significant risk of resulting in material adjustment in the year ending March 31, 2023 is included in relevant notes.

- Estimation of current tax expense and payable
- Estimated useful life of property, plant and equipments
- Estimated useful life of intangible assets
- Estimation of defined benefit obligation
- Impairment of trade receivables
- Impairment of financial assets
- Provisions and Contingent liabilities.

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

**Note No. 3: Significant accounting policies**

**3.1. Recognition of Income**

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

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

**3.2. Property, Plant and equipment (PPE)**



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

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

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

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

The estimated useful lives are, as follows:

Particulars	Useful Life of Assets
Furniture and Fixtures	10
Computer	3
Office Equipment	5

Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

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

Property and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss in the year in which the asset is derecognised.

The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.



### 3.3. Intangible assets

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

An intangible asset is derecognised on disposal, or when no future economic benefit are expected from use or disposal. Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. The effect of change in estimate of useful life is accounted on prospective basis.

The Company capitalizes the expenditure on intangible asset under development in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed and the capability to demonstrate the ability to use or sell the intangible assets, the probability of generating future economic benefit and the ability to measure reliably the attributable expenditure.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Any gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss in the year in which the asset is derecognised.

### 3.4. Impairment of non-financial assets

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

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

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

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

### 3.5. Leases

The Lease asset primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified 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:

- (1) the contract involves the use of an identified asset
- (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### 3.6. Retirement and other employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

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

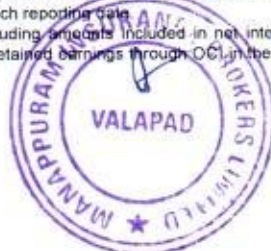
#### Gratuity

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

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

The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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



### Short-term employee benefits

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

### Compensated absence

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

### 3.7. Borrowing cost

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

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

### 3.8. Taxes

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

#### i) Current Taxes

Current tax is the amount of income taxes payable/ receivable in respect of taxable profit/ loss for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Interest income / expenses and penalties, if any, related to income tax are included in current tax expense. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the end of reporting date in India where the Company operates and generates taxable income.

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

#### ii) Deferred Taxes

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

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

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

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

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

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

### 3.9. Earnings per share

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

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





### 3.10. Provisions and other Contingent liabilities

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

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

### 3.11. Cash and cash equivalent

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

### 3.12. Cash flow statement

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

### 3.13. Non Derivative Financial instruments

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

### 3.14. Financial assets measured at amortised cost

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

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

### Financial assets measured at fair value through other comprehensive income

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

### Financial instrument measured at fair value through profit or loss

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

### De-recognition of financial assets

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

### Offsetting of financial instruments

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

### Impairment of financial instruments

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

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

The Company always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

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

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

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

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

### 3.15. Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those which are classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the "Other income" line item.



### 3.16. Financial liabilities and equity instruments:

#### Classification as debt or equity

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

#### Equity instruments

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

#### Financial liabilities

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

#### De-recognition of financial liabilities

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

### 3.17. Indian Accounting Standards (Ind AS) amendments which will be effective from 1st April 2023

On 31st March 2023, Ministry of Corporate Affairs notified amendments to certain Ind AS. These amendments will be effective from April 1, 2023 and will not have material impact on Company's financial statements for the financial year 2022-23. The following is a summary of the amendments:

1. In Ind AS 101: - Relating to the exceptions to retrospective application of Ind AS on first time adoption
2. In Ind AS 102: - Relating to the fair value of the equity instruments not being possible to be estimated reliably
3. In Ind AS 103: - Relating to the date on which the transferee obtains control of the transferor.
4. In Ind AS 107: - Relating to disclosure of material accounting policy information about the measurement basis (or bases) for financial instruments used in preparing the financial statements.
5. In Ind AS 109: - Relating to a combination of entities or businesses under common control as described in Appendix C.
6. In Ind AS 115: - Relating to certain corrections
7. In Ind AS 1: - Relating to the following:
  - Reference to the definition of 'Accounting Policies' contained in Ind AS 8
  - Requirement regarding disclosure of material accounting policy information instead of disclosures about significant accounting policies
  - Clarification about when an accounting policy information would be regarded as material
    - The judgements, apart from those involving estimations that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.
8. In Ind AS 8: - Relating to change in the definition of accounting estimates and further clarifications relating to the same.
9. In Ind AS 12: - Relating to exception to the recognition of deferred tax liability/ asset arising from a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
10. In Ind AS 34: - Relating to disclosure of material accounting policy information in interim financial statements.



Manappuram Insurance Brokers Limited  
Notes to Financial Statements for the year ended March 31, 2023

Note No. 4: Property, Plant and Equipment

Particulars	₹ in thousands)	
	As at March 31, 2023	As at March 31, 2022
<b>Carrying Amounts of :</b>		
Plant and Equipment	1,150.56	1,317.38
Office Equipment	13.95	73.60
Furniture and Fixtures	112.60	132.05
<b>TOTAL</b>	<b>1,277.11</b>	<b>1,523.03</b>

Description of Assets	₹ in thousands)			
	Plant and Equipment	Office Equipment	Furniture and Fixtures	Total
<b>I. Gross Block</b>				
Balance as at April 1, 2022	2,643.86	313.09	227.28	3,184.23
Additions	9.29	-	-	9.29
Disposals	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>2,653.15</b>	<b>313.09</b>	<b>227.28</b>	<b>3,193.52</b>
<b>II. Accumulated depreciation and impairment for the year</b>				
Balance as at April 1, 2022	1,326.48	239.49	95.23	1,661.20
Depreciation expense for the year	176.11	59.65	19.45	255.21
Disposals/discarded assets	-	-	-	-
Impairment losses recognised/ (reversed) in profit or loss	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>1,502.59</b>	<b>299.14</b>	<b>114.68</b>	<b>1,916.41</b>
<b>Net block (I-II)</b>				
<b>Balance as at March 31, 2023</b>	<b>1,150.56</b>	<b>13.95</b>	<b>112.60</b>	<b>1,277.11</b>

The Company has not revalued its property, Plant and equipment.

Description of Assets	₹ in thousands)			
	Plant and Equipment	Office Equipment	Furniture and Fixtures	Total
<b>I. Gross Block</b>				
Balance as at April 1, 2021	2,312.96	313.09	227.28	2,853.33
Additions	330.90	-	-	330.90
Disposals	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>2,643.86</b>	<b>313.09</b>	<b>227.28</b>	<b>3,184.23</b>
<b>II. Accumulated depreciation and impairment for the year</b>				
Balance as at April 1, 2021	1,046.58	176.68	75.78	1,299.04
Depreciation expense for the year	279.90	62.81	19.45	362.16
Eliminated on disposal of assets	-	-	-	-
Impairment losses recognised/ (reversed) in profit or loss	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>1,326.48</b>	<b>239.49</b>	<b>95.23</b>	<b>1,661.20</b>
<b>Net block (I-II)</b>				
<b>Balance as on March 31, 2022</b>	<b>1,317.38</b>	<b>73.60</b>	<b>132.05</b>	<b>1,523.03</b>

The Company has not revalued its property, Plant and equipment.



Note No.5 : Right of Use Assets

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying Amounts of: Right of Use Assets	4,106.97	8,488.59
<b>TOTAL</b>	<b>4,106.97</b>	<b>8,488.59</b>

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>I. Right of Use Assets</b>		
Balance as at April 1, 2022 / 2021	11,488.96	11,488.96
Additions during the year	482.62	-
Disposals / discarded assets	3,470.22	-
<b>Balance as at March 31, 2023 / 2022</b>	<b>8,501.36</b>	<b>11,488.96</b>
<b>II. Accumulated Amortisation/ impairment for the year</b>		
Balance as at April 1, 2022 / 2021	3,000.37	1,500.18
Amortisation expense for the year	1,394.02	1,500.19
<b>Balance as at March 31, 2023 / 2022</b>	<b>4,394.39</b>	<b>3,000.37</b>
<b>Net block (I-II)</b>		
<b>Balance as at March 31, 2023 / 2022</b>	<b>4,106.97</b>	<b>8,488.59</b>

The Company has not revalued its Right-of-use Assets.

Note No. 6: Other Intangible Assets

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying Amounts of: Computer Software	13,061.83	4,919.90
<b>TOTAL</b>	<b>13,061.83</b>	<b>4,919.90</b>

(₹ In thousands)

Description of Assets	Computer Software	Total
<b>I. Intangible Assets</b>		
Balance as at April 1, 2022	8,596.30	8,596.30
Additions during the year	11,232.04	11,232.04
Disposals / discarded assets	-	-
<b>Balance as at March 31, 2023</b>	<b>19,828.34</b>	<b>19,828.34</b>
<b>II. Accumulated Amortisation/ impairment for the year</b>		
Balance as at April 1, 2022	3,676.40	3,676.40
Amortisation expense for the year	3,090.11	3,090.11
Disposals / discarded assets	-	-
Impairment losses recognised/ (reversed) in profit or loss	-	-
<b>Balance as at March 31, 2023</b>	<b>6,766.51</b>	<b>6,766.51</b>
<b>Net block (I-II)</b>		
<b>Balance as at March 31, 2023</b>	<b>13,061.83</b>	<b>13,061.83</b>

The Company has not revalued its other intangible Assets during the year.



Manappuram Insurance Brokers Limited  
Notes to financial statements for the year ended March 31, 2023  
Note No. 6: Other Intangible Assets (continued)

(₹ in thousands)

Description of Assets	Computer Software	Total
<b>I. Intangible Assets</b>		
Balance as at April 1, 2021	4,981.75	4,981.75
Additions during the year	3,614.55	3,614.55
Disposals	-	-
<b>Balance as at March 31, 2022</b>	<b>8,596.30</b>	<b>8,596.30</b>
<b>II. Accumulated Amortisation/ impairment for the year</b>		
Balance as at April 1, 2021	2,429.64	2,429.64
Amortisation expense for the year	1,246.76	1,246.76
Eliminated on disposal of assets	-	-
Impairment losses recognised/ (reversed) in profit or loss	-	-
<b>Balance as at March 31, 2022</b>	<b>3,676.40</b>	<b>3,676.40</b>
<b>Net block (I-II)</b>		
<b>Balance as at March 31, 2022</b>	<b>4,919.90</b>	<b>4,919.90</b>

The Company has not revalued its other intangible Assets.

Note 6.1 Depreciation and Amortisation Expenses

(₹ in thousands)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Property Plant and Equipments	255.21	362.16
Right of Use Assets	1,394.02	1,500.19
Other Intangible Assets	3,090.11	1,246.76
	<b>4,739.34</b>	<b>3,109.11</b>



Note No.7 : Intangible assets under development

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Intangible assets under development	625.00	3,757.90
<b>Total</b>	<b>625.00</b>	<b>3,757.90</b>

Intangible Assets under development ageing schedule

(₹ in thousands)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	625.00	-	-	-	625.00
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>625.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>625.00</b>

Intangible Assets under development ageing schedule for the year ended 31st March 2022

(₹ in thousands)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,757.90	-	-	-	3,757.90
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>3,757.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,757.90</b>

Note No 8: Other Financial Assets

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Financial assets classified at amortised cost</b>		
<b>Non Current Assets</b>		
<b>Security Deposits</b>		
- Secured, considered good	-	-
- Unsecured, considered good	1,837.56	2,041.64
- Doubtful	-	-
Less : Allowance for bad and doubtful deposits	-	-
<b>TOTAL</b>	<b>1,837.56</b>	<b>2,041.64</b>

\* Security deposit laying with related party current year Rs. 1,134.62 thousand (PY: Rs.1,134.62 thousand)

(₹ in thousands)

Current Assets		
<b>(a) Security Deposits</b>		
- Secured, considered good	-	-
- Unsecured, considered good	838.56	526.53
- Doubtful	5.00	100.00
Less : Allowance for bad and doubtful deposits	(5.00)	(100.00)
Total (a)	838.56	526.53
<b>(b) Interest accrued on Deposits</b>	345.88	2,547.00
Total (b)	345.88	2,547.00
<b>TOTAL (a+b)</b>	<b>1,184.44</b>	<b>3,073.53</b>

Note No: 9 : Deferred Tax Asset

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax Assets [Note 32 (c)]	2,177.52	3,068.10
<b>Deferred tax Assets(Net)</b>	<b>2,177.52</b>	<b>3,068.10</b>



## Note No. 10: Other Assets

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-Current Asset</b>		
Others assets		
Deposit with Income Tax Authority under protest	34.35	34.35
<b>TOTAL</b>	<b>34.35</b>	<b>34.35</b>
<b>Current Asset</b>		
Prepaid Expenses	1,145.66	1,501.67
<b>TOTAL</b>	<b>1,145.66</b>	<b>1,501.67</b>

## Note No. 11: Trade receivables

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
a) Trade Receivables considered good - Secured	13,112.56	5,369.16
b) Trade Receivables considered good - Unsecured	-	-
c) Trade Receivables which have significant increase in credit risk	-	-
d) Trade Receivables - credit impaired	-	-
Less: Allowance for expected credit losses	-	-
<b>Total</b>	<b>13,112.56</b>	<b>5,369.16</b>

## Trade Receivables Ageing for the F.Y.2022-23

(₹ in thousands)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	13,112.56	-	-	-	-	13,112.56
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>13,112.56</b>	-	-	-	-	<b>13,112.56</b>

## Trade Receivables Ageing for the F.Y.2021-22

(₹ in thousands)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	5,369.16	-	-	-	-	5,369.16
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>5,369.16</b>	-	-	-	-	<b>5,369.16</b>



Manappuram Insurance Brokers Limited  
Notes to financial statements for the year ended March 31, 2023

Note No. 12: Cash and cash equivalents

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(a) Cash and cash equivalents</b>		
Cash in hand	0.20	2.62
In current accounts	2,778.08	5,207.07
Term deposits (original maturity less than 3 months)	-	24,640.25
	<b>2,778.28</b>	<b>29,849.94</b>
<b>(b) Other bank balances</b>		
Term deposits	15,063.10	42,865.70
Deposit marked as lien with Insurance Regulatory and Development Authority of India (IRDAI)	2,320.46	2,216.85
	<b>17,383.56</b>	<b>45,082.55</b>
<b>Total (a+b)</b>	<b>20,161.84</b>	<b>74,932.49</b>





Note No. 13: Equity Share Capital

(₹ in thousands)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
<b>Authorised:</b> Equity shares of Rs 10 each	30,00,000	30,000.00	30,00,000	30,000.00
<b>Issued, Subscribed and Fully Paid:</b> Equity shares of Rs 10 each	15,70,000	15,700.00	15,70,000	15,700.00
<b>TOTAL</b>	15,70,000	15,700.00	15,70,000	15,700.00

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

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	15,70,000	15,70,000
Issue during the year	-	-
<b>Closing Balance</b>	<b>15,70,000</b>	<b>15,70,000</b>

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

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

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

Particulars	Number of Shares	
	As at March 31, 2023	As at March 31, 2021
Manappuram Finance Limited*	15,70,000	15,70,000

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

(iv) Shareholding of Promoters

Promoter Name	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Manappuram Finance Ltd	15,70,000	100	15,70,000	100	-
	15,70,000	100	15,70,000	100	-

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

Class of shares / Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Manappuram Finance Limited*	15,70,000	100	15,70,000	100

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



Manappuram Insurance Brokers Limited

Notes to financial statements for the year ended March 31, 2023

Note No. 14: Other equity

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
General reserve	600.00	600.00
Retained earnings	15,421.35	62,882.00
Employee Stock Option Reserve (ESOP Reserve)	-	2,604.54
<b>TOTAL</b>	<b>16,021.35</b>	<b>66,086.54</b>

As at 31.03.2023 (₹ in thousands)

Particular	General Reserve	Retained Earnings	ESOP Reserve	Total
Balance at beginning of the year	600.00	62,882.00	2,604.54	66,086.54
Profit for the year	-	31,512.90	-	31,512.90
Other comprehensive income current year	-	(1,194.09)	-	(1,194.09)
Dividends	-	(80,384.00)	-	(80,384.00)
Transfer to retained earnings	-	2,604.54	(2,604.54)	-
	-	-	-	-
<b>Balance at end of the year</b>	<b>600.00</b>	<b>15,421.35</b>	<b>-</b>	<b>16,021.35</b>

As at 31.03.2022 (₹ in thousands)

Particular	General Reserve	Retained Earnings	ESOP Reserve	Total
Balance at beginning of the year	600.00	30,836.48	2,604.54	34,041.02
Profit for the year	-	33,305.38	-	33,305.38
Other comprehensive income current year	-	(1,259.86)	-	(1,259.86)
<b>Balance at end of the year</b>	<b>600.00</b>	<b>62,882.00</b>	<b>2,604.54</b>	<b>66,086.54</b>

(₹ in thousands)

Equity Dividend	31 March 2023	31 March 2022
First Interim dividend for March 31, 2023 - Rs.32 per share	50,240.00	-
Second Interim dividend for March 31, 2023 - Rs. 19.2 per share	30,144.00	-
	<b>80,384.00</b>	<b>-</b>

**Nature and purpose of Reserves**

**General Reserve**

It is created without any specific or particular purpose. The aim of creating a general reserve is to provide additional working capital or to strengthen the cash resources of the business, out of profits of the company, from statement of Profit and Loss.

**ESOP Reserve**

The share based payment reserve is used to recognise the value of equity settled share based payments provided to employees, including key management personnel, as part of their remuneration.

**Retained Earnings**

Retained earnings are the portion of a company's cumulative profit that is held or retained and saved for future use. Retained earnings could be used for funding an expansion or paying dividends to shareholders at a later date.



**Manappuram Insurance Brokers Limited**

Notes to financial statements for the year ended March 31, 2023

**Note No. 15: Lease Liabilities**

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-Current Liabilities</b>		
Lease Liability (Refer note no 31)	5,409.89	9,270.29
	<b>5,409.89</b>	<b>9,270.29</b>
<b>Current Liabilities</b>		
Lease Liability (Refer note no 31)	809.39	1,201.49
<b>Total Lease Liabilities</b>	<b>809.39</b>	<b>1,201.49</b>

**Note No 16 : Provisions**

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-Current</b>		
Provision for employee benefits		
Compensated absences	628.08	734.33
Gratuity (Refer note no 28)	5,268.09	4,965.02
<b>TOTAL (A)</b>	<b>5,896.17</b>	<b>5,699.35</b>
<b>Current</b>		
Provision for employee benefits		
Compensated absences	215.56	240.88
Provison for Expense	829.23	1,303.60
<b>TOTAL (B)</b>	<b>1,044.79</b>	<b>1,544.48</b>
<b>TOTAL (A+B)</b>	<b>6,940.96</b>	<b>7,243.83</b>



Manappuram Insurance Brokers Limited  
Notes to financial statements for the year ended March 31, 2023

Note No 17: Other Liabilities

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-Current Liabilities</b>		
Deposit Payable to Staff	1,069.33	787.02
	<b>1,069.33</b>	<b>787.02</b>
<b>Current Liabilities</b>		
Deposit Payable to Staff	352.16	526.53
Other Liabilities*	5,742.95	4,728.30
Statutory dues		
- Taxes payable (other than income taxes) and other statutory dues	6,136.60	1,455.73
	<b>12,231.71</b>	<b>6,710.56</b>
<b>TOTAL</b>	<b>13,301.04</b>	<b>7,497.58</b>

\* includes amount payable to related party of Rs.900 thousand (previous year Rs.900 thousand)

Note No 18: Trade Payables

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payable		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	218.11	624.14
<b>TOTAL</b>	<b>218.11</b>	<b>624.14</b>

Trade payable aging schedule for the F.Y.2022-23

(₹ in thousands)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	-	-	-	-	-
(ii)Others	218.11	-	-	-	218.11
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>218.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>218.11</b>

Trade payable aging schedule for the F.Y.2021-22

(₹ in thousands)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	-	-	-	-	-
(ii)Others	624.14	-	-	-	624.14
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>624.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>624.14</b>

Note No 19 : Current Tax Liabilities

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current Tax Liabilities (Net)</b>		
Provision for taxation	4,590.31	4,061.94
<b>TOTAL</b>	<b>4,590.31</b>	<b>4,061.94</b>



Manappuram Insurance Brokers Limited  
Notes to financial statements for the year ended March 31, 2023

Note No 20: Revenue from Operations

(₹ in thousands)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Brokerage Income (includes Rewards and Recognition)	1,20,131.47	1,09,146.22
<b>TOTAL</b>	<b>1,20,131.47</b>	<b>1,09,146.22</b>

Note No 21: Other Income

(₹ in thousands)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on financial assets at amortised cost- Fixed Deposits	1,315.29	4,018.79
Notice pay recovery	-	92.83
Lease Liability adjustment	323.24	-
Bad debt recovered	95.00	-
<b>TOTAL</b>	<b>1,733.53</b>	<b>4,111.62</b>



**Manappuram Insurance Brokers Limited**  
Notes to financial statements for the year ended March 31, 2023

**Note No 22: Employee Benefits Expense**

(₹ in thousands)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	45,975.83	41,154.13
Contribution to provident and other funds (Refer note 28)	2,881.49	2,468.15
Gratuity (Note 28)	1,863.49	1,615.44
<b>TOTAL</b>	<b>50,720.81</b>	<b>45,237.72</b>

**Note No 23: Finance Cost**

(₹ in thousands)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Bank charges	0.84	2.48
Finance cost - Lease Liability (Note 31)	1,366.72	1,375.29
<b>TOTAL</b>	<b>1,367.56</b>	<b>1,377.77</b>

**Note No. 24: Other Expenses**

(₹ in thousands)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rates and taxes	277.36	319.18
Directors Commission (refer note 24.3)	900.00	900.00
Advertisement	758.95	1,154.35
Communication Expenses	396.35	589.94
Licensing Fees	25.50	135.75
Directors Sitting Fees	1,805.00	1,800.00
Training Expenses	2,268.46	2,979.57
Auditors remuneration (refer note 24.1)	1,273.85	1,153.50
Legal and other professional costs	1,219.67	1,512.45
Travelling Expenses	2,071.49	525.78
IT Support Costs	4,338.52	2,950.77
Other Support Services	792.31	763.27
Internal Audit Fees	765.28	673.91
Insurance Premium Paid	368.13	233.40
Annual Maintenance Charges	376.03	318.92
Corporate social responsibility expenditure (refer note 24.2)	1,205.24	1,226.21
Commission and Distribution fee	4,291.38	801.63
Miscellaneous Expenses	247.23	201.50
<b>TOTAL</b>	<b>23,380.74</b>	<b>18,240.09</b>



Note:

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

(₹ in thousands)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
To statutory auditors:		
For Audit	400.00	400.00
For Limited Review	500.00	496.00
For Certification charges	190.00	190.00
Reimbursement of expenses	183.85	67.50
<b>TOTAL</b>	<b>1,273.85</b>	<b>1,153.50</b>

24.2 CSR details for the F.Y.2022-23 and F.Y.2021-22

(₹ in thousands)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a Amount required to be spent by the company during the year	1,205.24	1,226.21
b Amount of expenditure incurred	1,205.24	1,226.21
c Shortfall at the end of the year	-	-
d Total of previous years shortfall	-	-
e Reason for shortfall		
f Nature of CSR activities	1.Promotion of health including preventive health care. 2.Rural development projects - community development project/housing project support	1.Promotion of health care 2.Promotion of sports
g Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard Manappuram Trust	1,205.24	1,226.21
h Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	-	-

#### 24.3 Managerial Remunerations

During the year ended March 31, 2023, the Company has provided Managerial Remuneration to Independent Directors Rs. 900 thousands. The managerial remuneration for the current financial year 2022-23 is in the limits specified under Section 197 read with Schedule V of Companies Act, 2013.



**Manappuram Insurance Brokers Limited****Notes to Financial Statements for the year ended March 31, 2023****Note No. 25**

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

Particulars	(₹ in thousands)	
	As at March 31, 2023	As at March 31, 2022
A] i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	-	-
ii) Interest on a) (i) above	-	-
B] i) Amount of Principal paid beyond the appointed Date	-	-
ii) Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	-	-
C] Amount of Interest due and payable for the year of delay in making payment, but without adding the interest specified under section 16 of the said Act	-	-
D] Amount of Interest accrued and due	-	-
E] Amount of further interest remaining due and payable Even in succeeding years	-	-

**Note No. 26 : Contingent liabilities and commitments****Contingent liabilities**

Particulars	(₹ in thousands)	
	As at March 31, 2023	As at March 31, 2022
Income tax demand for AY 2012 - 13	229.01	229.01
<b>Total</b>	<b>229.01</b>	<b>229.01</b>

The Company has pending litigation arising out of matter relating to Income-tax and the Company has preferred an appeal against the same.

**Commitments**

Particulars	(₹ in thousands)	
	As at March 31, 2023	As at March 31, 2022
Commitments for the acquisition of Intangible assets	5,125.00	3,757.90
<b>Total</b>	<b>5,125.00</b>	<b>3,757.90</b>

**Note No. 27 : Other information****Note 27.1: Foreign currency transaction**

During the year ended March 31, 2023, the Company does not have any earnings (Previous Year: Nil) or expenditure (Previous Year: Nil) in foreign currency. As at the balance sheet date there are no foreign currency outstanding (Previous Year: Nil) that are hedged by any derivative instruments or otherwise.

**Note 27.2 : Utilisation of Borrowed funds and share premium**

a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.





## Annexure - A

Note 27.3 :- Insurance Company wise Brokerage/ Remuneration and Reward Income booked during April 01, 2022 to March 31, 2023

(₹ in thousands)

Sr. No.	Name of the Insurer	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Aditya Birla Health Insurance Company Limited	1.77	7.13
2	Aditya Birla Life Insurance Company Limited	3,943.18	3,071.67
3	Aegon Life Insurance Company Ltd	301.26	-
4	Bajaj Allianz General Insurance Company Limited	27.63	97.51
5	Bajaj Life Insurance Company Limited	1.39	1.63
6	Bharti Axa General Insurance Company Limited	-	10.05
7	Bharti Axa Life Insurance Company Limited	-	4.76
8	Care Health Insurance Company Ltd	71.16	47.02
9	Cholamandalam MS General Insurance Company Limited	314.04	55.16
10	Edelweiss Tokio Life Insurance Company Limited	0.41	0.41
11	Exide Life Insurance Company Limited	3,395.39	11,947.95
12	Go Digit Insurance Company Ltd	5,250.62	37.25
13	HDFC Ergo General Insurance Company Limited	11.52	461.24
14	HDFC Life Insurance Company Limited	11,938.14	37,417.85
15	ICICI Lombard General Insurance Company Limited	1,355.86	1,122.48
16	ICICI Prudential Life Insurance Company Limited	26,545.29	14,562.66
17	Iffco Tokio General Insurance Company Limited	242.45	552.32
18	Kotak Life Insurance Company Limited	2,263.79	2,616.89
19	Kotak Mahindra General Insurance Company Limited	1,764.06	-
20	Liberty General Insurance Company Limited	33,501.79	2,803.39
21	Life Insurance Corporation of India Limited	188.90	174.37
22	Magma HDI General Insurance Company Limited	2,643.17	226.84
23	Manipal Cigna Health Insurance Company Limited	39.18	447.50
24	Max Life Insurance Company Limited	1,613.86	938.44
25	National Insurance Company Limited	337.28	479.54
26	Niva Bupa General Insurance Company Limited	3.24	4,590.45
27	Oriental Insurance Company Limited	1,072.68	416.49
28	Pramarica Life Insurance Company Limited	41.57	82.44
29	Reliance General Insurance Company Limited	44.53	106.58
30	Reliance Life Insurance Company Limited	-	185.37
31	SBI General Insurance Company Limited	119.41	48.60
32	Shriram General Insurance Company Limited	593.34	1,099.76
33	Shriram Life Insurance Company Limited	17,169.19	20,010.93
34	Star Health Insurance Company Limited	1,033.77	2,202.10
35	Tata AIA Life Insurance	116.29	45.02
36	The New India Assurance Company Limited	4,047.14	3,062.18
37	United India Insurance Company Limited	124.99	204.35
38	Universal Sompo General Insurance Company Limited	13.20	7.94
	<b>TOTAL</b>	<b>1,20,131.47</b>	<b>1,09,146.22</b>



**Annexure - B**  
**Note 27.4 :- During the year there were no payments received from Insurers Group Companies**

The group companies of Insurers considered for the Annexure are based on the confirmations circulated by the Company and the declarations received from them. As per the records of the Company, Rs. NIL (P.Y. 2021-22 Rs. NIL) has been received from any Group Companies of Insurers.

**Annexure - C**

**Note 27.5:- Details of payments received by the group companies/ associates/ related parties of the insurance broker from Insurers** (₹ in thousands)

Sr. No.	Name of the Group company/ associate/ related party	Nature of Payment	Name of the Insurer from which the payment has received	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Manappuram Agro Farms Limited	Claim	The New India Assurance Company Limited	NIL	4772.10
2	Manappuram Asset Finance Limited	Claim	HDFC Life Insurance Co. Ltd	NIL	658.51
3	Manappuram Foundation	Refund	Sisr Health Insurance Company Limited	12.94	NIL
4	Manappuram Health Care Limited	Claim	The New India Assurance Company Limited	84.02	NIL
		Claim	Bajaj Allianz Life Insurance Company Limited	245.59	480.90
		Claim	Pramerica Life Insurance Co. Ltd	6,046.04	16,772.98
		Claim	ICICI Pru Life Insurance Company Limited	3,624,198.50	3,09,185.98
		Refund	ICICI Pru Life Insurance Company Limited	19,543.17	-
		Claim	Sisr Health Insurance Company Limited	-	4,157.69
		Claim	HDFC Ergo General Insurance Company Ltd	NIL	1,451.18
		Claim	HDFC Life Insurance Co. Ltd	3,10,471.30	1,80,532.11
		Refund	HDFC Life Insurance Co. Ltd	13,192.02	-
		Claim	ICICI Lombard General Insurance Company Limited	50,762.18	2,777.53
		Claim	ICICI Pru Life Insurance Company Limited	NIL	53,409.08
		Refund	ICICI Lombard General Insurance Company Limited	201.61	NIL
7	Manappuram Home Finance Limited	Claim	Max Life Insurance Co. Ltd	3,307.58	NIL
		Claim	Aditya Birla Sunlife Insurance Company Limited	4,119.14	NIL
8	Manappuram Child India Limited	Claim	National Insurance Co Ltd	35,000.94	NIL
		Claim		NIL	28,32

**Note:**

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

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



**Manappuram Insurance Brokers Limited**

**Notes to Financial Statements for the year ended March 31, 2023**

**Note No. 28 : Employee benefits**

Employee benefits include provident fund, gratuity fund and compensated absences. Gratuity and compensated absences determined on the basis of Actuarial valuation.

**(a) Defined Contribution Plan**

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

The Company has recognized Rs. 2474.37 thousand (PY: Rs. 2182.62 thousand) for Provident Fund contributions, Rs.257.12 thousand (PY: Rs. 152.18 thousand) for Employee State Insurance Scheme contributions and Rs.150 thousand (PY: Rs.133.35 thousand) for EDLI contributions, included as a part of contribution to provident and other funds in Note 22 Employee Benefit Expenses.

**(b) Defined Benefit Plans:**

**Gratuity:**

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

**Investment risk:**

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

**Interest risk:**

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

**Longevity risk:**

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

**Salary risk:**

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



**Manappuram Insurance Brokers Limited**  
**Notes to Financial Statements for the year ended March 31, 2023**

**Note No. 28 : Employee benefits (continued)**

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

Particulars	Valuation as at	
	March 31, 2023	March 31, 2022
Discount rate	7.10%	5.80%
Salary increase rate	8.00%	8.00%
Expected Return on Plan Assets	5.80%	5.50%
Withdrawal (rate of employee turnover)	20.00%	20.00%

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

(₹ in thousands)

Particulars	Funded Plan	
	Gratuity	
	Year ended March 31, 2023	Year ended March 31, 2022
Service Cost:		
Current Service Cost	1,484.24	1,413.96
Past Service Cost	-	-
Net interest expense	379.24	201.48
Expense recognised in Statement of Profit and Loss	<b>1,863.48</b>	<b>1,615.44</b>
Remeasurement on the net defined benefit liability and Plan Assets:		
Return on plan assets (excluding amount included in net interest expense)	-	-
Actuarial gains and loss arising form changes in financial assumptions	780.63	200.66
Actuarial gains and loss arising form experience adjustments	752.20	(1,251.20)
Movement in Other Comprehensive Income	<b>1,532.83</b>	<b>(1,050.54)</b>
<b>TOTAL</b>	<b>3,396.31</b>	<b>564.90</b>

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

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded defined benefit obligations	12,573.55	13,971.68
Fair value of plan assets	7,305.46	9,006.66
<b>Net liability arising from defined benefit obligation</b>	<b>5,268.09</b>	<b>4,965.02</b>



**Manappuram Insurance Brokers Limited**  
**Notes to Financial Statements for the year ended March 31, 2023**

**Note No. 28 : Employee benefits (continued)**

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

(₹ in thousands)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Opening defined benefit obligation (DBO)	13,971.68	13,104.95
- Current service cost	1,484.25	1,413.96
- Past service cost	-	-
- Interest cost	810.36	720.77
<i>Remeasurement gains / (losses):</i>		
- Actuarial Gain (Loss) arising from:		
i. Financial Assumptions	(780.63)	(200.66)
ii. Experience Adjustments	(752.20)	1,251.19
Benefit payments	(1,405.32)	(2,465.12)
Transfer In/(Out)*	(754.59)	146.59
<b>Closing defined benefit obligation</b>	<b>12,573.55</b>	<b>13,971.68</b>

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

(Rs. in thousands)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Opening fair value of the plan assets	9,006.66	10,605.37
Interest income	305.52	458.86
<i>Remeasurement gains / (losses):</i>		
- Actuarial (Loss)/Gain from changes in financial assumptions	-	-
- Return on plan assets (excluding amounts included in net interest expense)	-	-
Contributions from the employer	153.19	260.96
Benefit payments	(1,405.32)	(2,465.12)
Transfer In/(Out)*	(754.59)	146.59
<b>Closing fair value of plan assets</b>	<b>7,305.46</b>	<b>9,006.66</b>

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

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

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

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

**Description of ALM Policy**

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



**Manappuram Insurance Brokers Limited**  
**Notes to Financial Statements for the year ended March 31, 2023**

**Note No. 28 : Employee benefits (continued)**

Description of funding arrangements and funding policy that affect future contributions

The liabilities of the Company are funded by assets. The Company generally aims to maintain a fullfunding position at each Balance Sheet date. Future expected contributions are disclosed based on this principle so that the funding gap would continue to be low.

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

Financial assumptions sensitivity analysis		(Rs. in thousands)	
Particulars	As at March 31, 2023	As at March 31, 2022	
<b>Salary Growth Rate</b>			
Increases 1%	DBO increases by 669.90	DBO increases by 669.90	
Decreases 1%	DBO decreases by 624.22	DBO decreases by 624.22	
<b>Discount Rate</b>			
Increases 1%	DBO decreases by 630.99	DBO decreases by 630.99	
Decreases 1%	DBO increases by 691.12	DBO increases by 691.12	
<b>Withdrawal Rate</b>			
Increases 1%	DBO decreases by 75.38	DBO decreases by 75.38	
Decreases 1%	DBO increases by 81.31	DBO increases by 81.31	
Mortality (increase in expected lifetime by 1 year)	DBO increases by 1.41	DBO increases by 1.41	
Mortality (increase in expected lifetime by 3 years)	DBO increases by 3.55	DBO increases by 3.55	

**Plan Assets**

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

(₹ in thousands)		
	As at March 31, 2023	As at March 31, 2022
Others - LIC managed fund*	7,305.46	9,006.65

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

**Maturity profile**

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



**Manappuram Insurance Brokers Limited**  
**Notes to Financial Statements for the year ended March 31, 2023**

**Note No. 29 : Segment Reporting**

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

**Note No. 30: Related Party Disclosures**

Relationship	Name of the party
(i) Holding Company	Manappuram Finance Limited
(ii) Key Management Personnel (KMP)	Mr. V.P. Nandakumar (Chairman)
	Mr. M. N. Gunavardhan (Non-Executive and Independent Director)
	Mr. B. N. Raveendra Babu (Non-Executive and Independent Director) upto (June 01, 2022)
	Mr. V. R. Ramachandran (Non-Executive and Independent Director)
	Mr. Kollimarla Subrahmanyam (Non-Executive and Independent Director)
	Mrs. Jyothi Prasannan (Non-Executive Director)
	Mr. K. M. Rajesh (CEO & Principal Officer)
	Mr. Shanto Paul (Chief Financial Officer)
	Mrs Anjurose Paulson (Company Secretary)
(iii) Entities in which KMP / Relatives of KMP exercise significant influence (entities with whom the Company has transactions)	Manappuram Finance Limited Manappuram Comptech and Consultants Limited Manappuraram Health Care Limited Manappuram Foundation Manappuram Travels



Note No. 30: Related Party Disclosures (continued)  
Related Party transactions during the year:

(₹ in thousands)

Nature of Transaction	Relationship	March 31, 2023	March 31, 2022
<b>Income/Expenses:</b>			
<b>(i) Fees for professional and consultancy services</b>			
Manappuram Comptech and Consultants Limited	Entities in which KMP / relatives of KMP exercise significant influence	50.00	300.00
<b>(ii) Fees for IT supporting and Technical services</b>			
Manappuram Comptech and Consultants Limited	Entities in which KMP / relatives of KMP exercise significant influence	1,449.25	1,090.50
<b>(iii) Rent expenses</b>			
Manappuram Finance Limited	Holding Company	2,342.20	2,616.88
<b>(iv) Electricity and maintenance charges</b>			
Manappuram Finance Limited	Holding Company	410.15	511.56
<b>(v) Managerial Remuneration</b>			
Mr. K M Rajesh	Key Managerial Personnel	2,211.60	1,964.20
Mr. Shanto Paul	Key Managerial Personnel	1,949.23	2,466.68
Ms. Anjurose Paulson	Key Managerial Personnel	1,477.96	1,445.52
<b>(vi) Travelling Expenses</b>			
Manappuram Travels	Entities in which KMP / relatives of KMP exercise significant influence	-	15.59
<b>(vii) Training Expenses</b>			
Manappuram Finance Limited	Holding Company	654.31	1,337.44
<b>(viii) Dividend</b>			
Manappuram Finance Limited	Holding Company	80,383.69	-
<b>(ix) Sitting fees</b>			
Mr. B. N. Raveendra Babu	Key Managerial Personnel	80.00	400.00
Mr. M. N. Gunavardhan	Key Managerial Personnel	520.00	440.00
Mr. V. R. Ramachandran	Key Managerial Personnel	535.00	480.00
Mr. Kollimarla Subrahmanyam	Key Managerial Personnel	415.00	240.00
Ms. Jyothy Prasannan	Key Managerial Personnel	255.00	240.00
	<b>Total</b>	<b>1,805.00</b>	<b>1,800.00</b>
<b>(x) Commission paid to Directors</b>			
Mr. M. N. Gunavardhan	Key Managerial Personnel	300.00	300.00
Mr. Kollimarla Subrahmanyam	Key Managerial Personnel	300.00	300.00
Ms. Jyothy Prasannan	Key Managerial Personnel	300.00	300.00
	<b>Total</b>	<b>900.00</b>	<b>900.00</b>
<b>(xi) CSR contribution</b>			
Manappuram Foundation	Entities in which KMP / relatives of KMP exercise significant influence	1,205.24	1,226.21
<b>(xii) Medical expense</b>			
Manappuram Health Care Ltd	Entities in which KMP / relatives of KMP exercise significant influence	-	33.54





Manappuram Insurance Brokers Limited  
Notes to Financial Statements for the year ended March 31, 2023

Note No. 30: Related Party Disclosures (continued)

Balances outstanding at the end of the year:

Particulars	Relationship	₹ in thousands)	
		March 31, 2023	March 31, 2022
<b>Security deposits</b>			
Manappuram Finance Limited	Holding Company	1,034.62	1,034.62
Manappuram Comptech and Consultants Limited	Entities in which KMP / relatives of KMP can exercise significant influence	100.00	100.00
	<b>Total</b>	<b>1,134.62</b>	<b>1,134.62</b>
<b>Trade payables</b>			
Mr. M. N. Gunavardhan	Key Managerial Personnel	300.00	300.00
Mr. Kollimarla Subrahmanyam	Key Managerial Personnel	300.00	300.00
Ms. Jyothy Prasannan	Key Managerial Personnel	300.00	300.00
<b>TOTAL</b>		<b>900.00</b>	<b>900.00</b>

Notes:

1. During the year, there were no amounts written off and written back from the related parties.
2. Excludes the accrual of gratuity and compensated leaves as it is accrued for the Company as a whole.
3. During the year under review, all the transactions of the Company with related parties were in the ordinary course of business and at an arm's length.



Note No. 31 : Lease arrangements

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023:

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of year	8,488.59	9,988.78
Additions	482.62	-
Deletions	3,470.22	-
Depreciation	1,394.02	1,500.19
Balance as at year end	4,106.97	8,488.59

Amounts recognised in statement of profit and loss

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense on right-of-use assets (note 5)	1,394.02	1,500.19
Interest expense on lease liabilities (note 5)	1,366.72	1,375.29

Note No. 31 : Lease arrangements (continued)

The following is the break-up of current and non-current lease liabilities as at March 31, 2023

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Current Lease Liabilities (Refer Note No. 15)	809.39	1,201.49
Non-Current Lease Liabilities (Refer Note No. 15)	5,409.89	9,270.29
Total	6,219.28	10,471.78

The following is the movement in lease liabilities during the year ended March 31, 2023:

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	10,471.78	11,747.19
Additions	1,462.89	-
Deletions	4,739.91	-
Finance Cost accrued during the period (Note 23)	1,366.72	1,375.29
Payment of Lease Liabilities	2,342.20	2,650.70
Balance as at year end (Note 15)	6,219.28	10,471.78

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	1,536.41	1,201.49
One to Five years	6,667.69	6,132.30
More than Five years	282.79	3,137.99
Total	8,486.89	10,471.78



Manappuram Insurance Brokers Limited  
Notes to Financial Statements for the year ended March 31, 2023

Note No. 32 : Current Tax and Deferred Tax

(₹ in thousands)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
32(A)	<b>Current tax</b>		
	In respect of current year	10,170.76	12,253.06
	<b>Total current tax</b>	<b>10,170.76</b>	<b>12,253.06</b>
	<b>Deferred tax</b>		
	In respect of current year	(27.11)	(265.29)
	<b>Total deferred income tax (credit) / expense</b>	<b>(27.11)</b>	<b>(265.29)</b>
	<b>Total Tax Expenses</b>	<b>10,143.65</b>	<b>11,987.77</b>

32( B) Reconciliation of tax expense and accounting profit for the year end March 31, 2023 and March 31, 2022

(₹ in thousands)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Accounting profit/(loss) before income tax	41,656.55	45,293.15
	Enacted tax rates in India	25.17%	25.17%
	Computed expected tax expenses	10,484.12	11,399.38
	Tax effect		
	on income at different rates	-	-
	on non-deductible expenses for tax purpose	(340.47)	588.39
	others	-	-
	At the effective income tax rate	10,143.65	11,987.77
	Income tax expense reported in statement of profit and loss	10,143.65	11,987.77



Manappuram Insurance Brokers Limited  
Notes to Financial Statements for the year ended March 31, 2023

Note No. 32 (C): Current Tax and Deferred Tax  
As on March 31, 2023

(₹ in thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Liabilities</b>		
Property Plant and Equipments	(463.28)	201.05
<b>Total Deferred Tax Liabilities</b>	<b>(463.28)</b>	<b>201.05</b>
<b>Deferred Tax Assets</b>		
Compensated Absences	212.34	245.46
Bonus	514.65	499.00
Gratuity	1,325.97	1,249.69
Incentives	54.90	148.58
Lease Liability	531.67	499.17
Provision for Doubtful Receivables	1.27	225.15
<b>Total Deferred Tax Assets</b>	<b>2,640.80</b>	<b>2,867.05</b>
<b>Deferred Tax Assets (Net)</b>	<b>2,177.52</b>	<b>3,068.10</b>
Deferred tax income/ (Charge)	890.58	609.47
- Recognised in statement of profit and Loss- (Income) / expense	(27.11)	(265.29)
- Recognised in statement of other comprehensive income	917.69	344.18

Deferred tax asset and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities.



34A Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the returns to stakeholders. The Company has no borrowings during the year. Also, the company maintains the capital as required under Regulation 19 of IRDAI (Insurance Brokers) Regulations, 2018 as amended. As per the regulation the company needs to maintain minimum paid up capital of Rupees Seventy-Five lakh. Further, the Company has to maintain its minimum net worth as per the requirement of Regulation 22 of IRDAI (Insurance Brokers) Regulations, 2018 as amended Rs. 5000 thousands.

Particulars	₹ in thousands)	
	FY 2022-23	FY 2021-22
Share capital	15,700.00	15,700.00
Reserves and Surplus	16,021.35	66,086.54
<b>Total Net Worth</b>	<b>31,721.35</b>	<b>81,786.54</b>
<b>Minimum net worth requirement</b>	<b>5,000.00</b>	<b>5,000.00</b>

34B Financial instruments

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial Assets</b>				
<b>Measured at amortised cost</b>				
Cash and cash equivalents	2,778.28	2,778.28	29,849.94	29,849.94
Trade receivable	13,112.56	13,112.56	5,369.16	5,369.16
Security Deposits	2,676.12	2,676.12	2,568.17	2,568.17
Fixed Deposit with Banks	17,383.56	17,383.56	45,082.55	45,082.55
Others	345.88	345.88	2,547.00	2,547.00
<b>Financial Liabilities</b>				
<b>Measured at amortised cost</b>				
Trade payable	218.11	218.11	624.14	624.14
Lease Liability	6,219.28	6,219.28	10,471.78	10,471.78

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

Fair value hierarchy as at 31 st March 2023

Particulars	₹. in thousands)	
	Level 1	Level 2
<b>Financial assets</b>		
<b>Financial assets carried at Amortised Cost</b>		
Cash and cash equivalents	-	2,778.28
Trade receivable	-	13,112.56
Security Deposits	-	2,676.12
Fixed Deposit with Banks	-	17,383.56
Others	-	345.88
<b>Financial liabilities</b>		
<b>Financial liabilities held at amortised cost</b>		
Trade payable	-	218.11
Lease Liabilities	-	6,219.28

Fair value hierarchy as at 31 st March 2022

Particulars	₹. in thousands)	
	Level 1	Level 2
<b>Financial assets</b>		
<b>Financial assets carried at Amortised Cost</b>		
Cash and cash equivalents	-	29,849.94
Trade receivable	-	5,369.16
Security Deposits	-	2,568.17
Fixed Deposit with Banks	-	45,082.55
Others	-	2,547.00
<b>Financial liabilities</b>		
<b>Financial liabilities held at amortised cost</b>		
Trade payable	-	624.14
Lease Liabilities	-	10,471.78



**Note No. 35 : Ceiling of business from Single Client**

As per Regulation 35 of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2016 (amended upto 30.10.2019), "The business of the insurance broker shall be carried in such a manner that, not more than 50 percent of the remuneration shall emanate from any one client in a financial year." During the Current year ended March 2023, the Company has earned total revenue of Rs. 120131.47 thousand out of which 44.04% of the business emanated from single customer which has complied with the aforesaid Regulation.

**Note No 36: Details of Benami Property held**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**Note No 37 : Relationship with struck off companies**

The company doesn't have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**Note No 38 : Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

**Note No 39 : Willful Defaulter**

Company has not been declared as willful defaulter by any bank or financial institution or other lender.

**Note No 40 : Registration of charges or satisfaction with Registrar of Companies (ROC)**

There is no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.

**Note No 41 : Compliance with approved Scheme(s) of Arrangements**

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

**Note No 42 : Undisclosed income**

There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**Note No 43 :** During the financial years ended 31 March 2023 and 31 March 2022, the Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person (a) repayable on demand or (b) without specifying any terms or period of repayment.

**Note No 44 : Financial ratios**

Particulars	Numerator	Denominator	FY 2022-23	FY 2021-22	% Change	Reason for variation
(a) Current Ratio	Current Assets	Current Liabilities	1.88	6.00	89%	Fixed Deposit with bank closed for interim dividend payment.
(b) Debt Equity Ratio	Debt	Equity	NA	NA	NA	NA
(c) Debt Service Coverage Ratio	Net Operating Income	Total Debt Service	NA	NA	NA	NA
(d) Return on Equity Ratio	Profit After Tax	Avg. shareholders' equity	55.53%	43.69%	-27%	Average Equity reduced due to interim dividend payment.
(e) Inventory turnover ratio	Cost of goods sold	Average inventory	NA	NA	NA	NA
(f) Trade Receivables turnover ratio	Net sales	Avg. trade receivables	13.00	19.99	35%	Due to increase in trade receivable for the Current Year.
(g) Trade payables turnover ratio	Net Credit Purchase	Avg. trade payables	NA	NA	NA	NA
(h) Net capital turnover ratio	Net sales	Working Capital	1.80	1.54	-4%	NA
(i) Net profit ratio	Profit After Tax	Net sales	28.23%	30.51%	14%	NA
(j) Return on Capital employed	EBIT	Capital Employed	97.57%	47.85%	-104%	Total Asset reduced because of FD closure for interim dividend payment.
(k) Return on investment	Net Income	Cost of investment	NA	NA	NA	NA

**Note No. 45 :** Previous year figures have been regrouped /reclassified wherever found necessary.

Signature to Notes to Accounts  
For Mukund M Chitale & Co.  
Chartered Accountants  
Firm Registration No. 106655W

  
Vaibhav A. Chougale  
Partner  
Membership No. 132680  
  
Valapad  
Date: May 8, 2022

For and on behalf of the Board of Directors

  
V.P. Nandakumar  
(Chairman)  
DIN : 00044512

  
Jyothi Prasanna  
(Director)  
DIN : 00044371

  
K.M. Rajesh  
(CEO & Principal Officer)

  
Shinto Paul  
(Chief Financial Officer)

  
Anurag Paulson  
(Company Secretary)

Valapad  
Date: May 8, 2022

