

With a vision of creating a **self-reliant India**, we have **empowered millions** of aspiring individuals by providing flexible financing opportunities to **transform their dreams** and help them to **'Rise'**.

We



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LEAVES

Our beliefs have shaped our being. We have been successful over the years because of our ability to anticipate market needs and business trends by responding with the right combination of products and partnerships. We believe we must consistently perform to deliver results responsibly, and stay true to our vision of transforming rural lives.

Directors' Report to the Shareholders

Your Directors have pleasure in presenting the 28th Annual Report along with the Audited Accounts of your Company for the year ended 31st March, 2015.

FINANCIAL RESULTS

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2015	For the year ended 31st March 2014
Income	126.20	111.18
Profit before Interest, Depreciation and Taxation	66.52	64.12
Depreciation	(1.24)	(0.35)
Profit before Taxation	65.28	63.77
Provision for Taxation:		
Provision for Current Tax	(22.70)	(21.84)
Provision for Deferred Tax	0.36	0.07
	(22.34)	(21.77)
Profit after Taxation	42.94	42.00
Balance of Profit for prior years	102.17	67.39
Less: Depreciation (net of deferred tax) for earlier years	(0.10)	-
Appropriations:	145.01	109.39
Transfer to General Reserve	4.30	4.20
Dividend on Equity Shares (Proposed)	3.22	2.58
Tax on Dividend (Proposed)	0.66	0.44
Surplus carried to Balance Sheet	136.83	102.17

DIVIDEND

Your Directors recommend a dividend of Rs. 12.50 per Equity Share on 25,77,320 Equity Shares of Rs.10 each, aggregating to Rs. 3.22 crores. The above dividend, if approved, will be paid to those Members whose names appear in the Register of Members as on the Record Date fixed for this purpose. The dividend including dividend distribution tax, surcharge and education cess will absorb a sum of Rs. 3.88 crores (as against Rs. 3.02 crores on account of dividend of Rs. 10 per Equity Share, paid for the previous year).

TRANSFER TO RESERVES

Your Company proposes to transfer an amount of Rs. 4.3 crores to the General Reserve. An amount of Rs. 136.83 crores is proposed to be retained in the surplus.

OPERATIONS

The year ended 31st March, 2015 marked the 11th year of successful insurance broking operations of your Company. In this journey of 11 years, your Company has been able to service over 5 million insurance cases, largely in the rural and semi-urban markets in India. Your Company has been able to reach the benefit of insurance to over 1,25,000 villages across India. Your Company endeavors to further increase insurance penetration in rural India as well as become a significant player in global insurance markets.

During the year under review, your Company serviced 1.1 million insurance cases, with a total of 1,137,981 cases for both Life and Non-Life Retail business. The customized Life insurance cover "Mahindra Loan Suraksha" (MLS) declined from 5,09,864 lives

covered with a Sum Assured of Rs. 14,393.5 crores in the Financial Year 2013-14 to 4,59,781 lives covered with a Sum Assured of Rs.13,515.4 crores in the Financial Year 2014-15. This primarily is on account of the general economic slowdown witnessed during the year having a cascading impact on the auto-manufacturing and auto financing industry. A substantial portion of MLS though continued to be covered in the rural markets.

Your Company achieved a growth of 22% in Gross Premium facilitated for the Corporate and Retail business lines, increasing from Rs. 825.2 crores in the Financial Year 2013-14 to Rs. 1,002.7 crores in the Financial Year 2014-15 crossing the 1000 crores mark. The Total Income increased by 14% from Rs. 111.2 crores in the Financial Year 2013-14 to Rs. 126.2 crores in the Financial Year 2014-15. The Profit

before Tax increased by 2% from Rs. 63.8 crores to Rs. 65.3 crores, and the Profit after Tax increased by 2% from Rs. 42.0 crores to Rs. 42.9 crores during the same period. The Networth increased by 29% from Rs.132.9 crores in the financial year 2013-14 to Rs.171.9 crores in the financial year 2014-15.

ACHIEVEMENTS

During the year, your Company was declared "Broker of the Year" at the 18th Asia Insurance Industry Awards (AIIA) 2014 held in Taipei, Taiwan. The award recognizes your Company's exemplary reputation and leadership in an extremely competitive Indian market, by catering to the needs of the underserved, particularly in the rural and semi-urban areas.

Your Company also bagged the Celent Model Insurer Asia Award in the "Data Mastery & Analytics" category at the 5th Annual Celent Model Insurer Asia Awards ceremony held in Singapore. Your Company won this prestigious accolade for its "FunDo T90" initiative which aims to align company strategy with team goals and individual aspirations by way of an innovative and engaging gamification application.

CORPORATE SOCIAL RESPONSIBILITY

Through its various Corporate Social Responsibility ("CSR") initiatives, the Mahindra Group is enabling entire communities to 'RISE'. With a vision of transforming the lives of youth from socially weaker and economically disadvantaged sections of society, the Mahindra Group is committed to 'building possibilities' to enable them to 'RISE' above their limiting circumstances by innovatively supporting them through programs in the domains of education, health and environment.

The Company has duly constituted a CSR Committee in accordance with section 135 of the companies Act, 2013 to assist the Board and the Company in fulfilling the corporate social responsibility objectives of the Company. The CSR Committee presently comprises of Mr. Rajeev Dubey (Chairman), Mr. Ramesh Iyer, Ms. Anjali Raina, Mr. V. Ravi and Dr. Jaideep Devare.

During the year under review, your Company contributed Rs. 90.06 lakhs towards Corporate Social Responsibility to various institutions for charitable purposes. Your Company is in compliance with the Statutory Provisions in this regard.

The CSR Policy of the Company is hosted on the Company's website <https://www.mahindrainsurance.com/corporate-social-responsibility.aspx> and a brief outline of the CSR Policy and the CSR initiatives undertaken by the Company during the year as per annexure prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as Annexure I to this Report.

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as at 31st March, 2015 forms part of this Report and is appended as **Annexure II**.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met six times in Financial Year 2014-15 viz. 14th April, 2014, 14th July, 2014, 16th October, 2014, 12th January,

2015, 12th March, 2015 and 30th March, 2015.

COMMITTEES OF THE BOARD

The Company has several committees which have been constituted as a part of the good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board:

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

1. Audit Committee

The Audit Committee was re-constituted by the Board on 30th March, 2015 pursuant to the appointment of independent directors on the Board. The Audit Committee comprises of:

Mr. Nityanath Ghanekar - Chairman
Ms. Anjali Raina
Mr. V. Ravi

The Committee met four times during the year on 14th April, 2014, 14th July, 2014, 16th October, 2014 and 12th January, 2015.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was re-constituted by the Board on 30th March, 2015 pursuant to the appointment of independent directors on the Board. The Nomination and Remuneration Committee comprises of:

Mr. Rajeev Dubey
Mr. Ramesh Iyer
Mr. Nityanath Ghanekar
Ms. Anjali Raina

The Committee met four times during the year on 31st July, 2014, 8th October, 2014, 12th January, 2015 and 12th March, 2015.

3. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was reconstituted by the Board on 30th March, 2015 pursuant to the appointment of independent directors on the Board. The Corporate Social Responsibility Committee comprises of:

Mr. Rajeev Dubey
Mr. Ramesh Iyer
Mr. V. Ravi
Ms. Anjali Raina
Dr. Jaideep Devare

The Committee met once during the year on 14th April, 2014.

Directors and Key Managerial Personnel

Mr. Ramesh Iyer (DIN: 00220759) retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for re-appointment.

Mr. Nityanath Ghanekar (DIN: 00009725) and Ms. Anjali Raina (DIN: 02327927) were appointed as Independent Directors of the Company for a period of five years with effect from 30th March, 2015. These Independent Directors shall hold the office of directorship for a term of five years and would not be liable to retire by rotation.

Pursuant to the provisions of section 152 of the Companies Act, 2013 ('the Act'), Mr. Uday Y. Phadke, Director of the

Company retires by rotation at the forthcoming Annual General Meeting scheduled to be held on 15th July, 2015. Mr. Phadke has expressed his desire not to seek re-appointment. It is proposed not to fill up the vacancy thereby caused.

The Board placed on record its deep appreciation of the invaluable counsel rendered by Mr. Phadke to the Company and his contribution in guiding and supporting the management during his tenure as a Director on the Board of Directors of the Company.

Dr. Jaideep Devare, Managing Director of the Company, is appointed as a Key Managerial Personnel in accordance with the provisions of Section 203 of the Companies Act, 2013.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they fulfill the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- i. In the preparation of the annual accounts for financial year ended 31st March, 2015, the applicable accounting standards have been followed and there are no material departures in adoption of these standards;
- ii. The Directors have selected such accounting

policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2015 and of the profit of the Company for the year ended on that date.

- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts for financial year ended 31st March, 2015 on a 'going concern' basis.
- v. The directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

Company's policy on remuneration of Directors, Key Managerial Personnel and employees

The Nomination and Remuneration Committee and the Board of Directors have approved the Policy on Remuneration of Directors and the Remuneration Policy for Key Managerial Personnel and Employees of the Company in accordance with the provisions of sub-section (4) of section 178, and the same are appended as **Annexure III-A and III-B** and forms part of this Report.

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

Codes of Conduct

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

Public Deposits

The Company has not accepted any deposits from the public or its employees during the year under review. There were no other deposits falling under Rule 2(i)(c) of the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. There are no deposits which are not in compliance with the requirement of Chapter V of the Companies Act, 2013 during the year under review.

Particulars of loans, guarantees or investments

The Company has made loans and advances in the nature of

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

The particulars of loans/ advances and investment in its own shares by listed companies, their subsidiaries, associates, etc., as required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement of the parent company – Mahindra & Mahindra Financial Services Limited and the ultimate parent company – Mahindra & Mahindra Limited, with the Stock Exchanges, are furnished in Annexure IV.

Particulars of contracts or arrangements with related parties

All contracts / arrangements/ transactions entered into by the Company during the Financial Year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/ arrangement / transaction with related parties which could be considered material. Pursuant to Section 134(3) (h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no transactions to be reported under Section 188(1) of the Companies Act, 2013.

Material Changes and Commitments affecting the Financial Position of the Company

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial

statements relate and the date of the Report.

Risk Management

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

Competitive Risks

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

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

Significant competitive pressures in each of the business lines

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

for skilled professionals, finance acquisitions, fund internal growth and compete for customers. To respond to increased competition, we may have to lower the pricing of the services.

Legal and Regulatory Risks

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

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

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

The business is subject to extensive legal and regulatory oversight, including the IRDA (Insurance Brokers) Regulations 2013 and the rules and regulations promulgated by the Insurance Regulatory and Development Authority of India (IRDAI) and a variety of other laws, rules and regulations. This legal and regulatory oversight could reduce profitability or limit growth by limiting or restricting the products or services the Company sells, by increasing the costs of legal and regulatory compliance, limiting the distribution methods by which it sells products and services, or capping the brokerage it can charge for the services, limiting the amount

and form of compensation it can accept from the customers, insurers and third parties, or by subjecting the business to the possibility of legal and regulatory actions or proceedings.

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

Operational and Commercial Risks

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

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

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

fail to yield sufficient return to cover their investments.

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

Other factors, outside of the Company's control.

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

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

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

- ◆ fluctuation in the need for insurance as the economic downturn continues, as customers prioritize their need and willingness to procure insurance accordingly.

Auditors

The Board of Directors at its meeting held on 14th April, 2014 had appointed M/s. B. K. Khare and Co., as the Statutory Auditors of the Company for a period of 5 years from the conclusion of the Annual General Meeting (AGM) held on 14th July, 2014 till the conclusion of the thirty-second AGM of the Company to be held in the year 2019, subject to the ratification of their appointment by shareholders at every Annual General Meeting.

As required under the provisions of Sections 139(1) read with 141 of the Companies Act, 2013, the Company has obtained a written certificate from M/s. B. K. Khare & Co., Chartered Accountants, to the effect that their ratification of appointment, if made, would be in conformity with the criteria specified in the said sections.

Pursuant to the recommendation received from the Audit Committee, the Board has proposed the ratification of the appointment of M/s. B. K. Khare & Co., as Statutory Auditors of the Company, the Shareholders at the forthcoming Annual General Meeting for a period of one year.

Comments on Auditors' Report

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s B. K. Khare & Co., Statutory Auditors, in their report.

Human Resources

Your Company strongly believes in maintaining the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited. The Company has taken the necessary steps to enhance awareness amongst its employees in respect of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the Act") and the Rules framed thereunder. During the year under review, there were no cases filed pursuant to the Act and Rules framed thereunder.

Subsidiaries

The Company does not have any subsidiary as on 31st March, 2015 or during the financial year ended on that date.

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

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

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

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

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

Your Company has in place adequate internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations. Assessment of the internal financial controls environment of the Company was undertaken during the year which covered verification of entity level controls, process level controls and IT controls, identification, assessment and definition of key business processes and analysis of risk control matrices, etc. Reasonable Financial Controls are operative for all the business activities of the Company and no material weakness in the design or operation of any control was observed.

Particulars of remuneration

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees who were in receipt of remuneration of not less than Rs.60,00,000 during the year ended 31st March, 2015 or not less than Rs.5,00,000 per month during any part of the said year are set out in the Annexure VI to the Director's Report. The Company had no employee who was employed for a part of the Financial Year and was in receipt of remuneration of not less than Rs.5,00,000 per month during any part of the year.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events on these items during the year under review:

- ◆ Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ◆ There were no Shares having voting rights not exercised directly by the employees and for the purchase of which or subscription to which loan was given by the Company.
- ◆ Change in the nature of business carried out by the Company during the year under review.

- ◆ Issue of Shares (Including Sweat Equity Shares) to employees of the Company under any Scheme.
- ◆ Payment of Remuneration or Commission to the Managing Director or the Whole Time Director of the Company from any of its subsidiaries.

Acknowledgements

Your Directors take this opportunity to express their deep sense of gratitude to the Insurance Regulatory and

Development Authority of India (IRDAI) for their continuous support and guidance rendered to the Company. Your Directors would also like to place on record their sincere appreciation for the commitment, dedication and hardwork put in by each and every employee of the Company. Your Directors are deeply grateful to the confidence and faith reposed by our customers and shareholders in us.

For and on behalf of the Board

Rajeev Dubey
Chairman

Mumbai, 15th April, 2015
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Mumbai - 400018
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Fax: +91 22 24915894
E-mail: insurance.care@mahindra.com
Website: www.mahindrainsurance.com

ANNEXURE I TO THE DIRECTORS' REPORT**Annual Report on Corporate Social Responsibility Activities as prescribed under section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014****Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

The objective of Company's CSR policy is to continuously and consistently generate goodwill in communities where the Company operates or is likely to operate, initiate projects that benefit communities and encourage an increased commitment from employees towards CSR activities and volunteering. The Corporate Social Responsibility Committee ('CSR Committee') is responsible to formulate and recommend to the Board the CSR Policy indicating the activities falling within the purview of Schedule VII to the Companies Act, 2013, to be undertaken by the Company, to recommend the amount to be spent on CSR activities presented by the CSR Council ('CSR Council') and to monitor the CSR Policy periodically. The CSR Council will be supported by the CSR Secretariat at Head Office, for implementation of the approved projects. For achieving the CSR objectives through implementation of meaningful and sustainable CSR Projects, the CSR Committee will allocate for its Annual CSR Budget, 2% of the average profits of the Company made during the three immediately preceding financial years, calculated in accordance with the relevant Sections of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company has identified following CSR Thrust areas for undertaking CSR projects or programs or activities

in India. The actual distribution of the expenditure among these thrust areas will depend upon the local needs as may be determined by the need identification studies or discussions with local government/ Grampanchayat/ NGOs. The Company shall give preference to the local area and areas around which the Company operates.

Thrust areas:

a) Education

Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

b) Health

Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.

c) Environment

Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.

d) Others

Any other activities within the purview of schedule VII of the Act that the CSR Committee of the Company may define from time to time.

CSR activities of the Company are carried through:

- ◆ K C Mahindra Education Trust
- ◆ Collaboration with other Companies undertaking projects/programs in CSR activities.
- ◆ Contribution / donation made to such other Organizations/ Institutions as may be permitted under the applicable laws from time-to-time.
- ◆ Directly by the Company for fulfilling its responsibilities towards various stakeholders.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is

<https://www.mahindrainsurance.com/corporate-social-responsibility.aspx>

Composition of the CSR Committee	1. Mr. Rajeev Dubey (Chairman) 2. Mr. Ramesh Iyer 3. Mr. V. Ravi 4. Ms. Anjali Raina (Independent Director) 5. Dr. Jaideep Devare (Managing Director)
Average Net Profit of the Company for last 3 financial years	Rs.4,503.17 lacs
Prescribed CSR expenditure (2% of this amount as in item 3 above)	Rs.90.06 lacs
Details of CSR spent for the financial year:	
a) total amount spent for the financial year	Rs. 90.06 Lacs
b) Amount unspent, if any;	Nil
c) Manner in which the amount spent during the financial year is detailed below	The details in which the amount is spent is given in Schedule A
In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report	N.A.

SCHEDULE A TO ANNEXURE I - CSR ACTIVITIES AT MAHINDRA INSURANCE BROKERS LIMITED

Sr. No.	CSR Project or activity Identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project / program wise	Amount spent on the project / programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure up to 31st March 2015	Amount spent Direct or through implementing agency (Rs. In Lacs)
1	Girls Education Programme	Education	Delhi	2.60	2.60	2.60	Care India Solutions For Sustainable Development
2	Organising Life Skill Education	Employment	Cochin, Kerala	4.56	4.56	4.56	Santhwanam Trust
3	Salaries of Teachers	Education	Delhi	8.40	8.40	8.40	Salaam Balak Trust
4	Health & Education Needs of Orphan	Health & Education	Pune, Maharashtra	7.00	7.00	7.00	Bharatiya Samaj Seva Kendra
5	Education and Employment enhancing vocational skills	Education	Mumbai, Maharashtra	58.00	58.00	58.00	K C Mahindra Education Trust (Nanhi Kail)
6	Purchase of Polysymno-graphy Machine	Healthcare & Preventive Healthcare	Mumbai, Maharashtra	3.00	3.00	3.00	Nair Charitable Hospital Department Development Foundation
7	Cost of Eye Surgeries	Healthcare	Mumbai, Maharashtra	0.50	0.50	0.50	Sri Kanchi Kamakoti Medical Trust
8	Purchase of Fowler Beds	Healthcare	Mumbai, Maharashtra	5.00	5.00	5.00	Association Of Parents Of Mentally Retarded Children
9	Medical Centre Support	Healthcare & Preventive Healthcare	Mumbai, Maharashtra	1.00	1.00	1.00	Shree Hanharaputra Bhajan Samaj
			Total	90.06	90.06	90.06	

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For Mahindra Insurance Brokers Limited

For and on behalf of the CSR Committee of Mahindra Insurance Brokers Limited

Sd/-

Dr. Jaideep Devare
Managing Director

Mumbai, 15th April, 2015

Sd/-

Rajeev Dubey
Chairman – CSR Committee of
Mahindra Insurance Brokers Limited

**ANNEXURE II TO THE DIRECTORS' REPORT
FORM NO. MGT-9**

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i. CIN	U65990MH1987PLCO42609
ii. Registration Date	18th February, 1987
iii. Name of the Company	Mahindra Insurance Brokers Limited
iv. Category / Sub-Category of the Company	Public Limited Company by Shares
v. Address of the Registered office and contact details	Mahindra Towers, 4th Floor, P. K. Kurne Chowk, Worli, Mumbai - 400018. Tel: +91 22 66423800; Fax: +91 22 24915894; E-mail: insurance.care@mahindra.com Website: www.mahindrainurance.com
vi. Whether listed company Yes / No	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services (India) Private Limited Unit: Mahindra Insurance Brokers Limited 13 AB, 2nd Floor, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072 Ph.022- 67720386 / 67720354

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Insurance Broking	67200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Mahindra & Mahindra Limited	L65990MH1945PLCO04558	Ultimate Holding Company	0.00	Section 2(46)
2.	Mahindra & Mahindra Financial Services Limited	L65921MH1991PLCO59642	Holding Company	85.00	Section 2(46)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	30	30	0.00	-	30	30	0.00	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	21,90,692	0	21,90,692	85.00	21,90,692	0	21,90,692	85.00	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	21,90,692	30	21,90,722	85.00	21,90,692	30	21,90,722	85.00	0.00

i) Category-wise Share Holding (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NIRs	-	-	-	-	-	-	-	-	-
Individuals	-	-	-	-	-	-	-	-	-
b) Other	-	-	-	-	-	-	-	-	-
Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	21,90,692	30	21,90,722	85.00	21,90,692	30	21,90,722	85.00	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	3,86,598	0	3,86,598	15.00	3,86,598	0	3,86,598	15.00	0.00
Sub-total (B)(1)	3,86,598	0	3,86,598	15.00	3,86,598	0	3,86,598	15.00	0.00
2. Non-Institutions									
a) Bodies Corporate	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	3,86,598	0	3,86,598	15.00	3,86,598	0	3,86,598	15.00	0.00
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	25,77,290	30	25,77,320	100	25,77,290	30	25,77,320	100	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change In share holding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1.	Mahindra & Mahindra Financial Services Limited	21,90,692	85.00	-	21,90,692	85.00	-	0.00
2.	Mahindra & Mahindra Financial Services Limited Jointly with Mr. Ramesh Iyer	5	0.00	Nil	5	0.00	Nil	0.00
3.	Mahindra & Mahindra Financial Services Limited Jointly with Mr. Rajeev Dubey	5	0.00	Nil	5	0.00	Nil	0.00
4.	Mahindra & Mahindra Financial Services Limited Jointly with Mr. Bharat Doshi	5	0.00	Nil	5	0.00	Nil	0.00
5.	Mahindra & Mahindra Financial Services Limited Jointly with Dr. Jaideep Devare	5	0.00	Nil	5	0.00	Nil	0.00
6.	Mahindra & Mahindra Financial Services Limited Jointly with Mr. S. Durgashankar	5	0.00	Nil	5	0.00	Nil	0.00
7.	Mahindra & Mahindra Financial Services Limited Jointly with Mr. Venkatraman Ravi	5	0.00	Nil	5	0.00	Nil	0.00
Total		21,90,722	85%	-	21,90,722	85%	-	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mahindra & Mahindra Financial Services Limited along with joint holders				
	At the beginning of the year	21,90,722	85.00	21,90,722	85.00
	Date wise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)			No change	
	At the End of the year	21,90,722	85.00	21,90,722	85.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Inclusion Resources Private Limited				
	At the beginning of the year	3,86,598	15.00	3,86,598	15.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		No change		
	At the end of the year	3,86,598	15.00	3,86,598	15.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Mr. Ramesh Iyer (jointly with Mahindra & Mahindra Financial Services Limited)				
	At the beginning of the year	5	0.00	5	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		No change		
	At the End of the year	5	0.00	5	0.00
2.	Mr. Uday Y. Phadke				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		No change		
	At the End of the year	Nil	0.00	Nil	0.00
3.	Mr. V. Ravi (jointly with Mahindra & Mahindra Financial Services Limited)				
	At the beginning of the year	5	0.00	5	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		No change		
	At the end of the year	5	0.00	5	0.00
4	Mr. Rajeev Dubey (jointly with Mahindra & Mahindra Financial Services Limited)				
	At the beginning of the year	5	0.00	5	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		No change		
	At the end of the year	5	0.00	5	0.00

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5.	Dr. Jaideep Devare (jointly with Mahindra & Mahindra Financial Services Limited)				
	At the beginning of the year	5	0.00	5	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		No change		
	At the end of the year	5	0.00	5	0.00
6.	Mr. Hemant Sikka				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		No change		
	At the end of the year	Nil	0.00	Nil	0.00
7.	Mr. Nityanath Ghanekar (appointed as Independent Director w.e.f. 30th March, 2015)				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		No change		
	At the end of the year	Nil	0.00	Nil	0.00
8.	Ms. Anjali Raina (appointed as Independent Director w.e.f. 30th March, 2015)				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		No change		
	At the end of the year	Nil	0.00	Nil	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
♦ Addition	-	-	-	-
♦ Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Managing Director	Whole time Director	Manager	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	93,87,067.00	-	-	93,87,067.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	25,10,541.00	-	-	25,10,541.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	-	-	NA
2.	Stock Option	-	-	-	-
3.	Sweat Equity	NA	-	-	NA
4.	Commission - as % of profit - others, specify...	NA	-	-	NA
5.	Others, please specify	NA	-	-	NA
	Total (A)	1,18,97,608.00	-	-	1,18,97,608.00
	Ceiling as per the Act		-	-	5% of the Net Profits equivalent to Rs. 3,27,72,736 with respect to the ceiling for the Company applicable for the financial year covered by this report.

@ Includes Perquisite Value of Stock Options of Mahindra & Mahindra Financial Services Limited for 9,150 Equity Shares of Rs. 2 each exercised during the FY 2014-15.

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration			Total Amount
1.	Independent Directors	Mr. Nityanath Ghanekar	Ms. Anjali Raina	
	♦ Fee for attending board / committee meetings	30,000	-	30,000
	♦ Commission	-	-	-
	♦ Others	-	-	-
	Total (1)	30,000	-	30,000
2.	Other Non-Executive Directors			
	♦ Fee for attending board / committee meetings	-	-	-
	♦ Commission	-	-	-
	♦ Others	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	30,000	-	30,000
	Total Managerial Remuneration	30,000	-	30,000
	Overall Ceiling as per the Act			1% of the Net profits equivalent to Rs. 65,54,547 with respect to the ceiling for the Company applicable for the financial year covered by this Report.

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit				
	- others				
5.	Others	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NONE		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE III-A TO THE DIRECTORS' REPORT
Policy on Remuneration of Directors

Prelude

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

This Policy shall be effective from the financial year 2014 - 15.

Intent of the Policy

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

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

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

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

envisaged under Section 178 of the Companies Act, 2013 and principles pertaining to qualifications, positive attributes, integrity and independence of Directors, etc.

Directors

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

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

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

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

The NRC shall consider that a successful Remuneration Policy must ensure that some part of the remuneration

is linked to the achievement of corporate performance targets.

Managing Director/Executive Directors

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

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

If any Managing Director/Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

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

Remuneration for Managing Director/Executive Director is designed subject to the limits laid down under the Companies Act, 2013 to remunerate them fairly and responsibly. The remuneration to the Managing Director/Executive Director comprises of salary, perquisites and performance based incentive apart from retirement benefits like Provident Fund, Superannuation, Gratuity, Leave Encashment, etc., as per Rules of the Company. Salary is paid within the range approved by

the Shareholders. Increments are effective annually, as recommended / approved by the NRC/ Board. In terms of the shareholders' approval, the Commission may be paid to Managing Director in any Financial Year at a rate not exceeding 1/4% (one fourth percent) per annum of the profits of the Company computed in accordance with the applicable provisions of the Companies Act, 2013 as may be recommended by NRC and approved by the Board.

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

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

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

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

Disclosures

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

ANNEXURE III-B TO THE DIRECTORS' REPORT
Remuneration Policy For Key Managerial Personnel And Employees

This Policy shall be effective from the financial year 2014-15.

Objective

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

Definition(s)

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

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

Standard

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

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

Increments

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

ANNEXURE IV TO THE DIRECTORS' REPORT

Particulars of loans/ advances and investment by loanees in the shares of listed companies, their subsidiaries, associates, etc., required to be disclosed in the annual accounts of the company pursuant to clause 32 of the respective listing agreements of Mahindra & Mahindra Financial Services Limited, the holding company and Mahindra & Mahindra Limited, the ultimate parent company.

Loans and advances in the nature of loans to firms/companies in which Directors are interested are as given below:

(In Rupees Lacs)		
Name of the Company	Balance as on 31st March, 2015	Maximum outstanding during the year
Mahindra & Mahindra Financial Services Limited	11,340.00	11,340.00
Mahindra Rural Housing Finance Limited	4,450.00	4,450.00

ANNEXURE V TO THE DIRECTORS' REPORT

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

(A) Conservation of energy-

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

(B) Technology absorption-

- i. the efforts made towards technology absorption – None.
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution – Not applicable.
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - a) the details of technology imported : None
 - b) the year of import; : Not applicable
 - c) whether the technology been fully absorbed; : Not applicable
 - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and : Not applicable
- iv. the expenditure incurred on Research and Development – Nil.

(C) Foreign exchange earnings and Outgo

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

ANNEXURE VI TO THE DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

Additional information as required under Section 197(12) of the Companies Act, 2013 and sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of Directors' Report for the year ended 31st March, 2015.

Name of Employee	Designation / Nature of Duties	Gross Remuneration received (subject to income tax) (Rs. lacs)	Qualifications	Experience (Years)	Age (years)	Date of Commencement of Employment	Last Employment held (Designation and Organisation)
Dr. Jaideep R. Devare	Managing Director	118.98	Ph.D. in Management (Thesis on Insurance industry in India), Master of Management Studies (MMS) (Finance), Bachelor of Engineering (B.E.) Honors, (Production)	24	47	01/01/2009	Head – Business Development (New Initiatives) – Mahindra & Mahindra Financial Services Limited
Kumar R. Pherwani	Principal Officer	108.57	Bachelor of Commerce, Associate of Insurance Institute of India, Diploma in Export Management	40	59	01/01/2006	Head - Insurance & Risk Management Dept - Mahindra & Mahindra Limited
K. Raghunath	Chief of Reinsurance	78.37	Bachelor of Commerce, Master of Business Administration, Associate of Insurance Institute of India	36	59	04/01/2012	Vice President - Reinsurance; Bharti Axa General Insurance
Rajesh Sharma	Head-Retail & Commercial	71.11	Bachelor of Engineering (Honors), Post Graduate Diploma in Insurance & Risk Management, Fellow of the Insurance Institute of India	20	43	01/04/2004	Retainer - Mahindra & Mahindra Financial Services Ltd
Saurabh V. Dharadhar	Financial Controller	69.65	Bachelor of Commerce, Chartered Accountant, FIT-Chartered Insurance Institute	14	35	01/07/2006	Senior Executive -Mahindra & Mahindra Financial Services Limited
Anik Jain	Head – Commercial	64.63	Bachelor of Engineering (Mechanical), Post Graduate Diploma in Computer Aided Management	13	37	06/01/2014	Vice President - Marsh India Insurance Brokers Private Ltd

Notes :

- Nature of employment is permanent, subject to termination on three month's notice on either side. Nature of employment of the Managing Director is contractual, subject to termination on three months' notice on either side.
- None of the above employees is a relative of any Director of the Company.
- Information about qualifications and last employment is based on particulars furnished by the concerned employee.
- The above employees do not hold by themselves or along with their spouse and dependent children, 2% or more of the equity shares of the Company.
- Terms and conditions of employment are as per Company's Rules/contract.
- Remuneration means Remuneration as defined in section 2(78) of the Companies Act, 2013
- Dr. Jaideep Devare has been granted stocks under the Employees' Stock Option scheme of the holding company, Mahindra & Mahindra Financial Services Limited.

For and on behalf of the Board

Rajeev Dubey
Chairman

Mumbai, 15th April, 2015

Independent Auditors' Report

To the Members of

MAHINDRA INSURANCE BROKERS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of **MAHINDRA INSURANCE BROKERS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statements of Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (the "Order"), and on the basis of such

Independent Auditors' Report

checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143(3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- e. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015,

from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses that need provision
 - iii. During the year, there were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.

For **B. K. Khare and Co.**
Chartered Accountants
Firm Registration Number 105102W

H.P.Mahajani
Partner
Membership Number 030168

Place : Mumbai
Date : 15th April 2015

Annexure to the Auditors' Report

referred to in our report of even date:

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
(b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- 2 The Company is in the business of providing insurance broking services and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said order are not applicable to the company.
- 3 The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the Register maintained under section 189 of the Act. Therefore, the provisions of clause

Annexure to the Auditors' Report

referred to in our report of even date:

- (iii), (iii)(a), and (iii) (b) of the said Order are not applicable to the Company.
- 4 In our opinion and according to the information and explanations given to us, the Company is having an adequate internal control system commensurate with the size and the nature of its business, for the purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and sale of goods. On the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across, nor have we been informed of, any continuing failure to correct any major weaknesses in the aforesaid internal control system.
 - 5 In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and rules framed there under to the extent notified. Consequently, no order has been passed by the Company Law Board or National Company Law Commission or Reserve Bank of India or any court or any other tribunal on the Company.
 - 6 On facts, the requirements of Para 3(vi) requiring maintenance of cost records are not applicable in case of the Company.
 - 7 (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax and service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities.
 - (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of excise, duty of customs, value added tax, and cess which have not been deposited on account of any dispute.
 - (c) There were no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
 - 8 The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
 - 9 Based on the records examined by us and according to the information and explanations given to us, The Company has not taken any loans or advances from banks or financial institutions or has not issued any debentures and therefore clause (ix) of paragraph 3 of the Order is not applicable.
 - 10 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company.
 - 11 In our opinion, and according to the information and explanations given to us, during the year, the Company has not taken any term loan and hence clause (xi) is not applicable.
 - 12 During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted accounting practices and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the Management.

For **B. K. Khare and Co.**
Chartered Accountants

Firm Registration Number 105102W

H.P.Mahajani

Partner

Membership Number 030168

Place : Mumbai

Date : 15th April 2015

Balance Sheet

as at March 31, 2015

Rs. in Lacs

Particulars	Note No.	As at March 31	
		2015	2014
I. EQUITY & LIABILITIES			
1) Shareholders' funds			
a) Share capital	1	257.73	257.73
b) Reserves and surplus	2	16,931.47	13,035.33
		17,189.20	13,293.06
2) Non-current liabilities			
a) Long-term provisions	3	104.96	77.25
		104.96	77.25
3) Current liabilities			
a) Trade payables		222.97	202.20
b) Other current liabilities	4	104.89	115.99
c) Short-term provisions	5	1,161.47	817.86
		1,489.33	1,136.05
Total		18,783.49	14,506.36
II. ASSETS			
1) Non-current assets			
a) Fixed assets			
i) Tangible assets	6	217.33	191.73
(b) Non-current investments	7	9,640.00	2,700.00
(c) Deferred tax assets (net)	8	52.32	11.71
(d) Long-term loans and advances	9	2,080.44	864.41
(e) Other Non-Current Assets	10	60.00	60.00
		12,050.09	3,827.85
2) Current assets			
(a) Current investments	11	125.00	-
(b) Trade receivables	12	1,325.73	1,225.93
(c) Cash and cash equivalents	13	166.35	605.30
(d) Short-term loans and advances	14	4,240.95	8,353.88
(e) Other current assets	15	875.37	493.40
		6,733.40	10,678.51
Total		18,783.49	14,506.36
Summary of significant accounting policies and notes to the financial statements	I & II		

The notes referred to above form an integral part of the Balance Sheet

 For **B. K. Khare and Co.**
 Chartered Accountants
 Firm Regn No. 105102W

For and on behalf of the Board

H.P. Mahajani
 Partner
 Membership No. 30168

Rajeev Dubey
 Chairman

Ramesh Iyer
 Director

Nityanath Ghanekar
 Director

Uday Y. Phadke
 Director

Mumbai, 15th April 2015

Dr. Jaideep Devare
 Managing Director

V. Ravi
 Director

Anjali Raina
 Director

Hemant Sikka
 Director

Statement of Profit and Loss

for the year ended March 31, 2015

Particulars	Note No.	Rs. in Lacs	
		Year ended March 31	
		2015	2014
I. Revenue from operations	16	11,229.70	10,138.39
II. Other income		1,389.87	979.14
III. Total Revenue (I + II)		12,619.57	11,117.53
IV. Expenses			
Employee benefits expense	17	4,273.06	3,052.01
Depreciation	18	124.12	35.21
Other expenses	19	1,694.44	1,654.00
Total expenses		6,091.62	4,741.22
V. Profit before exceptional and extraordinary items and tax (III-IV)		6,527.95	6,376.31
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		6,527.95	6,376.31
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		6,527.95	6,376.31
X. Tax expense:			
(1) Current tax		2,270.00	2,186.00
(2) Deferred tax (Asset)/Liability		(35.63)	(7.23)
(3) Income Tax adjustment for earlier year (net)		-	(2.12)
		2,234.37	2,176.65
XI. Profit/(Loss) for the period from continuing operations		4,293.58	4,199.66
XII. Profit/(Loss) for the period		4,293.58	4,199.66
XIII. Earnings per equity share:			
(1) Basic		166.59	162.95
(2) Diluted		166.59	162.95
Summary of significant accounting policies & notes to the financial statements.	I & II		

The notes referred to above form an integral part of the Statement of Profit & Loss.

For **B. K. Khare and Co.**
Chartered Accountants
Firm Regn No. 105102W

For and on behalf of the Board

H.P. Mahajani
Partner
Membership No. 30168

Rajeev Dubey
Chairman

Ramesh Iyer
Director

Nityanath Ghanekar
Director

Uday Y. Phadke
Director

Mumbai, 15th April 2015

Dr. Jaideep Devare
Managing Director

V. Ravi
Director

Anjali Raina
Director

Hemant Sikka
Director

Cash Flow Statement

for the year ended March 31, 2015

Rs. in Lacs

Particulars	Year ended March 31	
	2015	2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes and contingencies and exceptional items	6,527.95	6,376.31
Add/(Less):		
Depreciation & Amortisation	124.12	35.21
Interest Income	(1,389.64)	(979.14)
Provision for Doubtful Debts / Advances Written-off (net)	5.98	2.30
(Profit) / Loss on sale / retirement of assets	(0.14)	5.49
Operating profit before working capital changes (I)	5,268.27	5,440.17
Less:		
(Increase)/Decrease in Trade receivables	(105.78)	(360.83)
(Increase)/Decrease in Long Term Loans & Advances	(41.04)	28.47
(Increase)/Decrease in Short Term Loans & Advances	(24.56)	(76.13)
(Increase)/Decrease in Current Assets	14.14	8.62
	(157.24)	(399.87)
Add: Increase/(Decrease) in Current liabilities	(11.08)	9.79
Add: Increase/(Decrease) in Long Term Provision	27.71	77.25
Add: Increase/(Decrease) in Trade Payable	20.77	(86.84)
Add: Increase/(Decrease) in Short Term Provision	170.56	134.53
	50.72	(265.14)
Cash generated from operations (I+II)	5,318.99	5,175.03
Income Taxes paid	(2,160.70)	(2,229.72)
Net cash from operating activities (A)	3,158.29	2,945.31
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(164.61)	(46.58)
Sale of fixed assets	0.37	5.13
Interest received	993.53	741.08
Investment in fixed deposits	(7,065.00)	(3,150.00)
Redemption / Maturity of fixed deposits	450.00	1,190.00
Intercompany deposits redeemed (net)	2,940.00	(1,700.00)
Net Cash From Investing Activities (B)	(2,845.71)	(2,960.37)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(301.53)	-
Net cash from financing activities (C)	(301.53)	-
Net increase / (decrease) In cash and cash equivalent (A+B+C)	11.05	(15.06)
Cash and cash equivalents as at:		
Beginning of the period	155.30	170.36
End of the period	166.35	155.30

Examined and found correct

 For **B. K. Khare and Co.**
 Chartered Accountants
 Firm Regn No. 105102W

For and on behalf of the Board

H.P. Mahajani
 Partner
 Membership No. 30168

Rajeev Dubey
 Chairman

Ramesh Iyer
 Director

Nityanath Ghanekar
 Director

Uday Y. Phadke
 Director

Mumbai, 15th April 2015

Dr. Jaideep Devare
 Managing Director

V. Ravi
 Director

Anjali Raina
 Director

Hemant Sikka
 Director

Significant Accounting Policies and Notes

to the financial statements for the year ended 31st March 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :

1) Basis for Preparation of Accounts:

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (IGAAP) under the historical cost convention as a going concern and on accrual basis and in accordance with the provisions of the Companies Act, 2013 and the Accounting Standards notified under the said Act.

All assets & liabilities have been classified as current & non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current & non-current classification of assets & liabilities.

2) Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting year. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future years.

3) Revenue Recognition:

a) General:

The Company generally follows the accrual method of accounting for its income and expenditure.

b) Brokerage Income:

Brokerage Income, Handling Charges & Broker Retainer Fees is accounted for net of Service Tax amount on rendition of services. Brokerage income is recognized on receiving details of the policy issued by the insurance company or receipt of brokerage whichever is earlier.

c) Insurance Consultancy Fees:

Revenue from Insurance Consultancy is recognised net of service tax on rendition of

service in accordance with the terms of the contract with customer.

4) Investments:

Investments held as long-term investments are stated at cost comprising of acquisition and incidental expenses less permanent diminution in value, if any. Investments other than long-term investments are classified as current investments and valued at cost or fair value whichever is less.

Provision for diminution in value of investments is made if management perceives that there is permanent diminution in value of investments in accordance with the Accounting Standard on 'Accounting for Investments' (AS 13) notified by Companies (Accounting Standards) Rules, 2006.

5) Share Issue Expenses:

Expenses incurred in connection with fresh issue of share capital are adjusted against Securities premium reserve in the year in which they are incurred.

6) Fixed assets:

Fixed assets are stated at cost of acquisition (including incidental expenses), less depreciation.

7) Depreciation:

Depreciation on fixed assets is calculated by the straight line method at rates determined with reference to the useful life of fixed assets and in the manner provided for in Schedule II to the Companies Act 2013 except:

- (i) Motor cars where useful life is estimated at 4 years as against 8 years per Schedule II since the employees to whom these cars have been allotted as part of their terms of employment are entitled to change their vehicles every four years, and
- (ii) Fixed assets having value individually less than INR 5000 where useful life is estimated at less than one year having regard to the nature of these assets and the difficulty in estimating the useful life.

Further, residual value for all assets is considered Nil having regard to the difficulty in reasonably estimating the same and, in the case of motor cars,

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

having regard to terms of employment under which these are allotted to the employees.

Accordingly, useful life of assets is estimated as follows:

Vehicles	- 4 Years
Computer	- 3 Years
Server	- 6 Years
Furniture	- 10 Years
Office Equipment	- 5 Years
Assets costing less than INR 5000	- < 1 Year

8) Foreign exchange transactions and translations :

i. Initial recognition

Transactions in foreign currencies are recognised at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction dates.

ii. Conversion

- a. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.
- b. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

The Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

- a. Realized gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

- b. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

9) Employee Benefits:

Retirement Benefits in respect of gratuity at retirement/cessation are provided for based on valuations, as the Balance Sheet date, made by independent actuaries.

a. Defined Contribution Plans -

Company's contribution paid/payable during the year to Provident Fund, Superannuation and Labour Welfare Fund are recognised in Statement of Profit & Loss.

b. Defined Benefit Plan -

Company's liabilities towards gratuity & leave encashment is determined using the Projected Unit Credit Method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gains and losses are recognized immediately in the statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

10) Impairment of assets :

The carrying value of assets/cash generating units at each balance sheet date is reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

11) Segment Reporting:

The company has single reportable segment namely insurance auxiliary services for the purpose of Accounting Standard 17 on Segment Reporting.

12) Taxes on Income:

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realised.

13) Provisions and Contingent Liabilities:

- Provision for doubtful debts is made on the basis of standard norms and also, where required, on actual evaluation.
- Provisions are recognised in accounts in respect of present probable obligations, the

amount of which can be reliably estimated. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

14) Earnings per Share :

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

II. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 1 SHARE CAPITAL		
Authorised :		
3,500,000 (Previous Year: 3,500,000) Equity Shares of Rs.10 each	350.00	350.00
Issued capital :		
2,577,320 (Previous Year: 25,77,320) Equity Shares of Rs.10 each	257.73	257.73
Subscribed and paid up capital :		
2,577,320 (Previous Year: 25,77,320) Equity Shares of Rs.10 each	257.73	257.73
Total	257.73	257.73

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

Other quantitative Information :

Particulars	As at March 31			
	2015		2014	
	Number of shares	Rs. in Lacs	Number of shares	Rs. in Lacs
a) Reconciliation of the number of shares -				
Balance at the beginning of the year	2,577,320	257.73	2,577,320	257.73
Add : Fresh allotment of shares during the year :				
1) Private placement to QIBs through QIP	0	0	0	0
2) Issue of Bonus / Rights Shares	0	0	0	0
3) Any others (specify)	0	0	0	0
Balance at the end of the year	2,577,320	257.73	2,577,320	257.73
b) Number of equity shares held by holding company or ultimate holding company including shares held by its subsidiaries / associates -				
Holding company : Mahindra & Mahindra Financial Services Limited (Equity shares of Rs.10/- each)	2,190,722	219.07	2,190,722	219.07
Percentage of holding (%)	85	85	85	85
c) Shareholders holding more than 5 percent shares :				
Mahindra & Mahindra Financial Services Limited	2,190,722	219.07	2,190,722	219.07
Percentage of holding (%)	85	85	85	85
Inclusion Resources Private Ltd	386,598	38.66	386,598	38.66
Percentage of holding (%)	15	15	15	15
d) Shares allotted during the period of five years immediately preceding the date as at which the Balance Sheet is prepared:				
- Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	2,000,000	200.00	2,000,000	200.00

	Rs. in Lacs	
	2015	2014
NOTE 2 RESERVES AND SURPLUS :		
General Reserve:		
Balance as at the beginning of the year	1,228.43	808.43
Add: Transfer from Surplus in the Statement of Profit and Loss	430.00	420.00
Balance as at the end of the year	1,658.43	1,228.43
Securities premium reserve :		
Balance as at the beginning of the year	1,589.50	1,589.50
Add: Additions during the year	-	-
Balance as at the end of the year	1,589.50	1,589.50
Surplus in Statement of Profit and Loss:		
Balance as at the beginning of the year	10,217.40	6,739.27
Less : Depreciation (net of deferred tax) [refer note 23]	(9.68)	-
Add : Profit for the current year transferred from Statement of Profit & Loss	4,293.58	4,199.66
	14,501.30	10,938.93

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 2 RESERVES AND SURPLUS :		
Less : Appropriations :		
General Reserve	430.00	420.00
Proposed dividend on equity shares	322.17	257.73
Corporate dividend tax on equity shares	65.59	43.80
	817.76	721.53
Balance as at the end of the year	13,683.54	10,217.40
Total	16,931.47	13,035.33

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 3 LONG-TERM PROVISIONS :		
Provision for Employee Benefit (Refer note 28)	104.96	77.25
Total	104.96	77.25

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 4 OTHER CURRENT LIABILITIES :		
Taxes deducted at source (TDS)	38.96	50.59
Service tax payable	37.07	41.11
Others	28.86	24.29
Total	104.89	115.99

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 5 SHORT-TERM PROVISIONS :		
Employee benefits (Refer note 28)	686.90	516.33
Proposed dividend on equity shares	322.17	257.73
Corporate dividend tax	65.59	43.80
Provision for taxes (net of taxes paid)	86.81	-
Total	1,161.47	817.86

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

Rs. in Lacs

Asset description	Gross Block at Cost			Depreciation & Amortisation			Net Block				
	As at April 01, 2014	Additions	Deductions/ adjustments	As at March 31, 2015	Upto 1st April 2014	Additions*	Depreciation Trf to reserve*	Deductions / adjustments	Upto As at March 31, 2015	As at March 31, 2015	As at April 01, 2014
Vehicles	130.99	105.54	-	236.53	24.61	70.40	1.62	-	96.63	139.90	106.38
	105.32	40.93	15.26	130.99	18.89	12.12	-	6.41	24.61	106.38	86.43
Furniture	11.16	-	-	11.16	4.55	1.30	-	-	5.85	5.31	6.61
	10.78	0.38	-	11.16	3.59	0.96	-	-	4.55	6.61	7.19
Office Equipment	22.17	13.24	-	35.41	13.61	4.78	0.37	-	18.76	16.65	8.56
	20.25	2.58	0.66	22.17	11.07	2.70	-	0.16	13.61	8.56	9.18
Computers	137.23	45.84	0.79	182.28	67.06	47.64	12.68	0.57	126.81	55.47	70.17
	148.29	2.68	13.74	137.23	60.12	19.42	-	12.48	67.06	70.17	88.17
Total	301.55	164.62	0.79	465.38	109.83	124.12	14.67	0.57	248.05	217.33	191.73
As at 31-03-2014	284.63	46.58	29.66	301.55	93.67	35.21	-	19.06	109.83	191.73	190.97

* Refer note 23

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 7 NON-CURRENT INVESTMENTS :		
Fixed deposits with companies		
- Mahindra and Mahindra Financial Services Limited (holding company)	9,640.00	2,700.00
Total	9,640.00	2,700.00

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 8 DEFERRED TAX ASSETS (NET) :		
a) Deferred tax assets		
Provision for doubtful debts	7.01	4.98
Depreciation	10.80	-
Other disallowances	39.90	27.79
(a)	57.71	32.77
b) Deferred tax liabilities		
Others	5.39	4.02
Depreciation	-	17.04
(b)	5.39	21.06
Total	52.32	11.71

The above amount of Rs. 52.32 lacs includes deferred tax asset amounting to Rs. 4.98 lacs which is credited to retained earnings in respect of depreciation in line with the requirements of Companies Act 2013.

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 9 LONG-TERM LOANS AND ADVANCES :		
Unsecured, considered good unless otherwise stated:		
Deposits for office premises / others	43.81	12.04
Inter corporate deposits placed with related parties	2,000.00	825.00
Other long-term advances	36.63	27.37
Total	2,080.44	864.41

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 10 OTHER NON-CURRENT ASSETS :		
Term deposit with banks [Under lien to IRDA for broking license] with maturity greater than 12 months	60.00	60.00
Total	60.00	60.00

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 11 CURRENT INVESTMENTS :		
Fixed deposits with companies	125.00	-
Mahindra and Mahindra Financial Services Limited (holding company)		
Total	125.00	-

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 12 TRADE RECEIVABLES :		
Unsecured, considered good unless otherwise stated :		
Debts outstanding for a period exceeding six months		
Considered good	27.98	11.48
Considered doubtful	20.63	14.65
Less : Provision for doubtful debts #	(20.63)	(14.65)
Total	27.98	11.48
Debts outstanding for a period not exceeding six months	1,297.75	1,214.45
Total	1,325.73	1,225.93

Refer Significant Accounting Policy No.13

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 13 CASH & CASH EQUIVALENTS :		
Cash and cash equivalents:		
- Cash and cheques on hand	1.35	1.38
- Balance with banks in current accounts	165.00	153.92
	166.35	155.30
Other bank balances:		
Term deposits with maturity less than 12 months	-	450.00
	-	450.00
Total	166.35	605.30

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 14 SHORT-TERM LOANS AND ADVANCES :		
Unsecured, considered good unless otherwise stated:		
Inter corporate deposits placed with related parties (for less than one year)	4,025.00	8,140.00
Advance payment of taxes (net of provisions)	-	22.49
Deposits - others	-	2.00
Gratuity plan asset (net) (refer note 28)	15.87	11.81
Other short-term advances	200.08	177.58
Total	4,240.95	8,353.88

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 15 OTHER CURRENT ASSETS :		
Interest accrued on:		
- Investments / Fixed deposits	661.55	134.75
- Others	210.93	341.62
Other current assets	2.89	17.03
Total	875.37	493.40

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 16 REVENUE FROM OPERATIONS :		
Brokerage	5,290.24	4,255.71
Broker Retainer Fees	4,338.26	4,639.43
Handling Charges	1,500.17	1,110.41
Consultancy Fees	101.03	132.84
Total	11,229.70	10,138.39

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 17 EMPLOYEE BENEFITS EXPENSE :-		
Salary, bonus and incentives	3,824.97	2,798.00
Company's contribution to Provident Fund and other funds	197.88	134.47
Employee compensation expenses on account of ESOPs	146.31	39.24
Staff welfare expenses	103.90	80.30
Total	4,273.06	3,052.01

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 18 DEPRECIATION :-		
Vehicles	70.40	12.12
Furniture	1.30	0.96
Office Equipment	4.78	2.70
Computers	47.64	19.43
Total	124.12	35.21

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 19 OTHER EXPENSES :-		
Electricity charges	41.95	46.48
Rent	219.88	192.51
Administration support charges	120.68	91.35
Insurance	159.23	130.82

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

Rs. in Lacs

	As at March 31	
	2015	2014
NOTE 19 OTHER EXPENSES :-		
Rates and taxes, excluding taxes on income	8.10	7.24
Directors' sitting fees	0.30	-
Legal and professional Charges	20.52	21.40
Loss on sale / retirement of owned assets	-	5.49
Travelling expenses	572.40	506.67
Provision for doubtful debts #	5.98	2.30
Manpower outsourcing charges	24.10	181.44
Payment to the auditor		
- As auditor	5.00	5.00
- Taxation matters	2.50	2.50
- Other services	2.56	1.96
Donations	-	39.31
CSR expenses *	90.06	-
General and administrative expenses	421.18	419.53
Total	1,694.44	1,654.00

Refer Significant Accounting Policy No.13

* CSR expenses represent contributions made to trusts which are carrying on the activities eligible under clause (i), (ii) & (iii) of the Schedule VII of the Companies Act, 2013.

NOTE 20 The Composite Broking License of the company, has been renewed by IRDA w.e.f. 17/05/2013 for next 3 years.

NOTE 21 In the opinion of the Board, Current Assets, Loans & Advances are approximately of the value stated if realised in the ordinary course of business.

NOTE 22 The company earns brokerage from several insurance companies. The accounts of these insurance companies remain under reconciliation and are subject to confirmation. The company does not expect any significant variation in the book balances.

NOTE 23 Pursuant to the Companies Act, 2013 (the "Act") becoming effective from 1st April, 2014, the Company has recomputed the depreciation based on the useful life of the assets as prescribed in Schedule II of the Act. This has resulted in additional charge of depreciation of Rs. 50.03 Lacs for the year ended 31st March, 2015. Further, as per the transitional provision, carrying value of assets of Rs. 9.68 Lacs (net of Deferred tax of Rs. 4.99 Lacs) is adjusted in the opening balance of retained earnings in respect of assets where the remaining useful life is NIL as at 1st April, 2014.

NOTE 24 RELATED PARTY DISCLOSURE AS PER ACCOUNTING STANDARD 18 :

List of the related parties :

Ultimate Holding Company	: Mahindra & Mahindra Limited
Holding Company	: Mahindra & Mahindra Financial Services Limited
Fellow subsidiary Companies	: Mahindra Rural Housing Finance Limited Mahindra Business & Consulting Services Private Limited
Key Management Personnel	: Managing Director Dr. Jaideep Devare

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

Related party transactions are as under:

Sr. No.	Nature of transactions	Rs. in Lacs		
		Holding Companies *	Fellow subsidiary Companies	Key Management Personnel
1	Income			
	Interest (Gross)	972.18	402.67	-
		(533.56)	(381.65)	-
	Handling Charges (Gross of Service Tax)	1,685.59	Nil	-
		(1,247.65)	(Nil)	-
2	Expenses			
	Other Expenses (Gross of Service Tax) (refer note ii)	287.31	Nil	94.34
		(149.39)	(176.47)	(78.03)
3	Finance			
	Intercorporate deposits / Fixed deposits placed (net)	11,340.00	4,450.00	-
		(7,040.00)	(4,625.00)	-
	Dividends Paid (for previous year)	219.07	-	-
		(Nil)	-	-
4	Balances as at the year end			
	Receivables	1,187.63	168.18	-
		(646.61)	(245.61)	-
	Payables (refer note ii)	80.06	Nil	-
		(56.27)	(4.27)	-

* includes ultimate parent company, Mahindra and Mahindra Limited

Notes:

- Amounts in brackets represent amounts pertaining to previous financial year.
- Mahindra Business & Consulting Services Private Ltd. is merged with Mahindra & Mahindra Financial Services Ltd (holding company) during the current year w.e.f. 1st April, 2014. However, transactions in the form of manpower contracting charges of the previous year amounting to Rs. 176.47 lacs and balance payable as at 31st March 2014 amounting to Rs. 4.27 lacs is disclosed in the column pertaining to fellow subsidiary companies.
- The above amount excludes payments towards reimbursement of expenses.

Sr. No.	Nature of transactions	(Rs. in lacs)	
		Holding Company	Fellow subsidiary Companies
1	Income		
	Other income	Mahindra and Mahindra Financial Services Limited	972.18
			(533.56)
		Mahindra Rural Housing Finance Limited	-
			402.67
			(381.65)
	Handling charges (gross of service tax)	Mahindra and Mahindra Financial Services Limited	1,685.59
			(1,247.65)

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

(Rs. in lacs)

Sr. No.	Nature of transactions		Holding Company	Fellow subsidiary Companies
2	Expenses			
	Administration support charges	Mahindra and Mahindra Financial Services Limited	135.60	-
			(102.64)	-
	Employee compensation expenses on account of ESOPs	Mahindra and Mahindra Financial Services Limited	146.31	-
			(39.24)	-
	Manpower outsourcing charges #	Mahindra Business and Consulting Services Pvt Limited	-	-
			-	(176.47)
3	Finance			
	Inter corporate deposits placed	Mahindra and Mahindra Financial Services Limited	1,575.00	-
			(4,340.00)	-
		Mahindra Rural Housing Finance Limited	-	4,450.00
			-	(4,625.00)
	Fixed deposit placed	Mahindra and Mahindra Financial Services Limited	9,765.00	-
			(2,700.00)	-
	Dividends paid (for previous year)	Mahindra and Mahindra Financial Services Limited	219.07	-
			-	-
4	Balances at the year end			
	Receivables	Mahindra and Mahindra Financial Services Limited	483.4	-
			(437.09)	-
	Interest accrued on Inter corporate deposits /Fixed deposits placed	Mahindra and Mahindra Financial Services Limited	704.23	-
			(209.52)	-
	Interest accrued on Inter corporate deposits placed	Mahindra Rural Housing Finance Limited	-	163.85
			-	(222.96)
	Payables	Mahindra and Mahindra Financial Services Limited	80.06	-
			(56.27)	-

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

NOTE 25 TRANSACTIONS IN FOREIGN CURRENCY ARE AS UNDER :-

Revenue in Foreign Currency	Rs. in Lacs	
	As at March 31	
	2015	2014
Brokerage	107.03	98.44
Consultancy fees	99.80	131.90
Total	206.83	230.34

Expenses in Foreign Currency	Rs. in Lacs	
	As at March 31	
	2015	2014
Travelling Expenses	8.50	15.06
Software Expenses	21.76	21.16
Other Expenses	8.11	12.28
Total	38.37	48.50

NOTE 26 The company has incurred a cost of Rs. 146.31 lacs (previous year Rs. 39.24 lacs) for Employee Stock Options (ESOS) of the holding company Mahindra & Mahindra Financial Services Limited (MMFSL), to employees of the company.

NOTE 27 In accordance with the provisions of Accounting Standard – 15 (revised) issued by the Institute of Chartered Accountants of India; cost of employee benefits in the form of compensated absences for the period ended 31st March 2015 is Rs. 62.60 lacs (Previous Year Rs. 46.45 lacs) and has been recognised in the Statement of Profit & Loss as such. The Present Value of obligation on account of such compensated absences is Rs. 115.41 lacs (Previous Year Rs. 79.75 lacs) as on 31st March 2015.

NOTE 28 DEFINED EMPLOYEE BENEFITS:

GRATUITY - Fully Funded	Rs. In Lacs			
	Gratuity Funded		Leave Non-Funded	
	Mar-15	Mar-14	Mar-15	Mar-14
I Change in Obligation during the year ended 31st March 2015				
1 Present value of obligation as the beginning of the year	84.19	65.80	79.75	53.75
2 Interest Cost	7.92	6.30	7.26	5.61
3 Current Cost	76.79	60.67	116.32	88.45
4 Actuarial (Gain)/Loss on Obligations	(44.44)	(45.30)	(87.92)	(68.06)
5 Benefits Paid	(3.28)	(3.28)	-	-
6 Present value of Defined Benefit Obligation at the end of the year	121.18	84.19	115.41	79.75
II Change In Assets during the Year ended 31st March 2015				
1 Plan Assets at the beginning of the year	96.01	68.02	-	-
2 Expected return on plan assets	7.82	5.45	-	-
3 Contributions by Employer	46.66	27.99	-	-
4 Actual benefits paid	(3.28)	(3.28)	-	-
5 Actual Gain/(Losses)	(10.16)	(2.17)	-	-
6 Plan Assets at the end of the year	137.05	96.01	-	-

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

Rs. In Lacs

GRATUILY - Fully Funded	Grayuity Funded		Leave Non-Funded	
	Mar-15	Mar-14	Mar-15	Mar-14
III Net Asset/(Liability) recognised in the Balance as at 31st March 2015				
1 Present Value of Defined Obligation as at 31st March 2015	121.18	84.19	115.41	79.75
2 Fair Value of plan assets as at 31st March 2015	137.05	96.01	-	-
3 Fund status (Surplus)/(Deficit)	15.87	11.82	(115.41)	(79.75)
4 Net Assets/ (Liability) As at 31st March 2015	15.87	11.82	(115.41)	(79.75)
IV Expenses recognised in the statement of profit and Loss for the year ended 31st March 2015				
1 Current Service Cost	76.79	60.67	116.32	88.45
2 Interest Cost	7.92	6.30	7.26	5.61
3 Expected return on Plan Assets	(7.82)	(5.45)	-	-
4 Net Actuarial (Gains)/ Losses (Net of Opening Actuarial Gain/(Loss) adjustment	(34.29)	(43.13)	(87.92)	(68.06)
5 Expenses recognised in statement of Profit & Loss	42.60	18.39	35.66	26.00
V The Major Categories in Plan Assets as a percentage of total plan				
1 Insurer Managed Funds	100%	100%		
VI Method of Valuation :-	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
VII Actuarial Assumption				
1 Discount Rate	8%	8%	8%	8%
2 Expected rate of return on plan assets	8%	8%		
3 Mortality Table	LIC(2006-08) Ultimate	LIC(2006-08) Ultimate	LIC(2006-08) Ultimate	LIC(2006-08) Ultimate
4 Salary Increment Rate	5%	5%	5%	5%
5 Retirement Age	60 Years	60 Years	60 Years	60 Years
6 Withdrawal	Attrition rate of 1% up to the age of 30 Years		Attrition rate of 1% up to the age of 30 Years	

Rs. in Lacs

Particulars	Year Ended				
	2011	2012	2013	2014	2015
VIII. Experience Adjustments:-					
Defined Benefit obligation at end of the period	33.89	46.41	65.80	84.19	121.18
Plan assets at the end of period	38.05	48.05	68.02	96.01	137.05
Funded Status (Surplus) / Deficit	(4.16)	(1.64)	(2.22)	(11.82)	(15.87)
Experience adjustments on plan liabilities (gain)/loss	(6.26)	(6.96)	(5.98)	(18.50)	(15.98)
Experience adjustments on plan assets gain/(loss)	(0.64)	(0.83)	(1.06)	(1.34)	(2.03)

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2015

	Rs. in Lacs	
	As at March 31	
	2015	2014
NOTE 29 EARNINGS PER SHARE:		
Amount used as numerator – Balance of Profit after Tax available for shareholders (Rs. in Lacs)	4293.58	4199.66
Weighted average number of equity shares used in computing basic earnings per share	25,77,320	25,77,320
Weighted average number of equity shares used in computing diluted earnings per share	25,77,320	25,77,320
Basic earnings per share (Rs.) (Face value of Rs.10 per share)	166.59	162.95
Diluted earnings per share (Rs.)	166.59	162.95

NOTE 30 Suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006, has not furnished the information regarding filing of necessary memorandum with appointed authority. In view of this and legal opinion obtained by the Company, information required under Section 22 of the said Act is not given.

NOTE 31 Previous year figures have been regrouped/reclassified wherever found necessary.

Signatures to Significant accounting policies and Notes to the financial statements – I and II

For **B. K. Khare and Co.**
Chartered Accountants
Firm Regn No. 105102W

For and on behalf of the Board

H.P. Mahajani
Partner
Membership No. 30168

Rajeev Dubey
Chairman

Ramesh Iyer
Director

Nityanath Ghanekar
Director

Uday Y. Phadke
Director

Mumbai, 15th April 2015

Dr. Jaideep Devare
Managing Director

V. Ravi
Director

Anjali Raina
Director

Hemant Sikka
Director