

INDEPENDENT AUDITORS' REPORT

To

THE MEMBERS OF S GLOBAL INSURANCE ADVISORY LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of S Global Insurance Advisory Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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.

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.

An audit involves performing procedures to obtain audit evidence about the amounts and 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. 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.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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

INDEPENDENT AUDITORS' REPORT (Contd.)

affairs of the Company as at 31st March 2015; and its loss and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the Directors as on 31st March 2015 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 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, 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. We have not come across any cases of non-provision of material foreseeable losses, on long term contracts including derivative contracts under any applicable law or accounting standards;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **ASA & Associates LLP**
Chartered Accountants
FRN 009571N/N500006

Place: Mumbai
Date : 30th May 2015

Anil A. Mehta
Partner
Membership No. F - 30529

ANNEXURE TO THE AUDITORS' REPORT (Contd.)

The Annexure referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of S Global Insurance Advisory Limited ('the Company') for the year ended on 31st March 2015. We report that:

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical assets have been noticed. In our opinion, the frequency of verification is reasonable.
2. (a) The company is in service industry. Accordingly, paragraphs 3(ii) (a) to (c) of the Order are not applicable to the Company.
3. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 the Companies Act, 2013. Accordingly, paragraphs 3(iii) (a) to (b) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the company do not involve purchase of inventory and the sale of goods. Further, 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 not observed any major weakness in such internal control system.
5. The Company has not accepted any deposits within the meaning of Sections 73 and 76 or any other relevant provisions of the Companies Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the order is not applicable to the Company.
6. As informed to us, the Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act for any of the activities of the Company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute.
(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
8. This is the second year of the Company and accordingly paragraph 3(viii) of the order is not applicable to the Company.
9. According to the records of the Company examined by us and the information and explanation given to us, the Company has not taken any loan from any financial institution or bank or debenture holders as at the balance sheet date. Accordingly, 3(ix) of the order is not applicable to the Company.

ANNEXURE TO THE AUDITORS' REPORT

10. In our opinion and 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, paragraph 3(x) of the order is not applicable to the Company.
11. In our opinion and according to the information and explanations given to us, the Company has not availed any term loans during the year.
12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **ASA & Associates LLP**
Chartered Accountants
FRN 009571N/N500006

Place: Mumbai
Date : 30th May 2015

Anil A. Mehta
Partner
Membership No. F - 30529

BALANCE SHEET AS AT 31ST MARCH 2015

CIN: U66000DL2013PLC255430

	Note No.	As at 31.03.2015 (Rs. lacs)	As at 31.03.2014 (Rs. lacs)
I. EQUITIES AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	15.00	15.00
(b) Reserves and surplus	4	(30.02)	(12.71)
		<u>(15.02)</u>	<u>2.29</u>
(2) Current Liabilities			
(a) Other Current Liabilities	5	18.27	13.70
		<u>18.27</u>	<u>13.70</u>
TOTAL		<u><u>3.25</u></u>	<u><u>15.99</u></u>
II. ASSETS			
(1) Non-current Assets			
(a) Fixed assets			
(i) Intangible Assets	6	0.23	0.18
		<u>0.23</u>	<u>0.18</u>
(2) Current Assets			
(a) Cash and Bank Balances	7	2.33	15.00
(b) Other Current Assets	8	0.69	0.81
		<u>3.02</u>	<u>15.81</u>
TOTAL		<u><u>3.25</u></u>	<u><u>15.99</u></u>
Significant accounting policies and Notes to the financial statements	1 to 13		

As per our report of even date
For and on behalf of
ASA & Associates LLP
Chartered Accountants
FRN 009571N/N500006

For and on behalf of the Board

Anil A. Mehta
Partner
Membership No. F-30529

Arun Ajmera
Director
DIN-06955977

Souvik Dasgupta
Director
DIN-06955989

Mumbai, 30th May 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

	Note No.	Year Ended 31.03.2015 (Rs. lacs)	Year Ended 31.03.2014 (Rs. lacs)
I. Revenue from Operations	9	0.56	0.39
II. Total Revenue		0.56	0.39
III. Expenses:			
Employees benefit expenses	10	9.45	5.68
Depreciation		0.14	-
Other expenses	11	8.09	7.41
Total Expenses		17.68	13.09
IV Profit / (Loss) before prior period items (II - III)		(17.12)	(12.71)
V Prior period Incomes / Expenses		0.20	-
VI Profit / (Loss) before tax (IV - V)		(17.32)	(12.71)
VII Taxes Expenses:			
Current tax		-	-
VIII Profit / (Loss) for the year (VI - VII)		(17.32)	(12.71)
IX Earnings Per Equity Share (before extra-ordinary and prior period item)	12		
(1) Basic		(11.55)	(8.47)
(2) Diluted		(11.55)	(8.47)

Significant accounting policies and Notes to the financial statements

1 to 13

As per our report of even date
For and on behalf of
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For and on behalf of the Board

Anil A. Mehta
Partner
Membership No. F-30529

Arun Ajmera
Director
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Souvik Dasgupta
Director
DIN-06955989

Mumbai, 30th May 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

	For the year ended 31.03.2015 (Rs. lacs)	For the year ended 31.03.2014 (Rs. lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax & extraordinary items after prior period items	(17.32)	(12.71)
Depriciation	0.14	-
Operating profit before working capital changes	(17.18)	(12.71)
Adjustment for:		
Trade and other receivables	0.12	(0.81)
Trade payables & other liabilities	4.57	13.70
Cash generated from operations	(12.49)	0.18
Provision for tax (net)	-	-
Cash flow before extraordinary items	(12.49)	0.18
Extraordinary Items	-	-
Net cash from / (used in) operating activities	(12.49)	0.18
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(0.18)	(0.18)
Net Cash from / (used in) investing activities	(0.18)	(0.18)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from Issue of Share capital	-	15.00
Net Cash from / (used in) financing activities	-	15.00
Net increase / (decrease) in Cash and Cash equivalents (stock) (A+B+C)	(12.68)	-
Opening balance of cash and cash equivalents	15.00	-
Closing balance of cash and cash equivalents	2.33	15.00
Closing balance of cash and cash equivalents	2.33	15.00

As per our report of even date
For and on behalf of
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Anil A. Mehta
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Arun Ajmera
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Souvik Dasgupta
Director
DIN-06955989

Mumbai, 30th May 2015

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

1. NATURE OF OPERATIONS

S Global Insurance Advisory Limited (SGIAL) was incorporated on 16th July 2013 for the purpose of providing various Financial Services in India including Insurance, Corporate Agency and brokers.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements

These financial statements are prepared under the historical cost convention on an accrual basis, to comply, in all material aspects, with all the applicable accounting principles in India, the applicable accounting standards notified u/s 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013.

The company, which was incorporated in 2013, is in the process of setting up insurance advisory business for which necessary approval has been sought from the IRDA. Meanwhile, the expenses incurred has exceeded the share capital of the company, resulting into a negative networth, which has been funded by the holding company. The holding company has undertaken to fund the activities of the subsidiary company until it generates its own income. Under these circumstances, the financial statements have been prepared on a going concern basis.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Fixed Assets, Depreciation and Amortisation

- I. Fixed assets are stated at cost of acquisition including incidental expenses. All costs directly attributable to bringing the asset to the working condition for its intended use including financing costs are also capitalized.
- II. Depreciation is provided on Straight Line Method based on the useful life prescribed under Schedule II to the Companies Act, 2013.

d) Inventories

Inventories are valued at lower of Weighted Average Cost and Net Realisable Value as on the last day of Financial Year.

e) Revenue Recognition

- I. Income from consultancy and commission is recognised on completion of relevant activity based on agreed terms of the contract.
- II. Receipts in respect of assignment of debts are accounted as per the terms of the agreement.

f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

i) Income Taxes

Tax expense for the year, comprising current tax and deferred tax is considered while determining the net profit or loss for the year. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred Tax Assets are not recognized unless, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax is reviewed at each Balance Sheet date.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account.

- j) Previous period/year's figures have been regrouped / reclassified to make them comparable with those of current period/year.

	As at 31.03.2015 (Rs. lacs)	As at 31.03.2014 (Rs. lacs)
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NOTE NO. 3

SHARE CAPITAL

Authorised	15.00	15.00
1,50,000 Equity shares of Rs. 10/- each		
	<u>15.00</u>	<u>15.00</u>
Issued, subscribed and fully paid-up		
1,50,000 Equity shares of Rs.10/- each	<u>15.00</u>	15.00
TOTAL	<u>15.00</u>	<u>15.00</u>

a. Information on shareholders

Name of Shareholder	Relationship	No of Equity shares held	Percentage
Wall Street Finance Limited	Holding Company	150,000	100.00%

NOTE NO. 4

RESERVES AND SURPLUS

Surplus (Balance in profit and loss account)

Opening Balance	(12.71)	-
Add:- Net Profit/(Net Loss) for the current year	<u>(17.32)</u>	<u>(12.71)</u>
Closing Balance	<u>(30.02)</u>	<u>(12.71)</u>
TOTAL	<u>(30.02)</u>	<u>(12.71)</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

	As at 31.03.2015 (Rs. lacs)	As at 31.03.2014 (Rs. lacs)
OTHER CURRENT LIABILITIES		
Other payables:		
Payable for Expenses	18.09	13.70
Duties & Taxes	0.18	-
TOTAL	18.27	13.70

NOTE NO. 6

FIXED ASSETS

DESCRIPTION	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at 01-Apr-14	Additions during the year	Deductions during the year	As at 31-Mar-15	As at 1-Apr-14	Charge for the year	Adjustments on disposals	As at 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14
Computer	0.18	-	-	0.18	-	0.12	-	0.12	0.06	0.18
Software	-	0.18	-	0.18	-	0.02	-	0.02	0.17	-
Office Equipment	-	0.18	-	0.18	-	0.02	-	0.02	0.17	-
TOTAL	0.18	0.18	-	0.36	-	0.14	-	0.14	0.23	0.18

NOTE NO. 7

CASH & BANK BALANCES

Cash & Cash Equivalents

In current account (Excluding Funds in Transit)	2.33	15.00
Cash on hand	-	-
TOTAL	2.33	15.00

NOTE NO. 8

OTHER CURRENT ASSETS

Preliminary Expenses	0.49	0.42
Other Receivable	0.20	0.39
TOTAL	0.69	0.81

NOTE NO. 9

REVENUE FROM OPERATION

Income from other operation - Incentive Income	0.56	0.39
TOTAL	0.56	0.39

NOTE NO. 10

EMPLOYEES BENEFIT EXPENSES

Salary, Bonus and Allowances	9.45	5.68
TOTAL	9.45	5.68

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

NOTE NO. 11

OTHER EXPENSES

Conveyance	0.52	0.34
Electricity Expenses	0.01	1.42
Telephone Expenses	0.11	0.32
Travelling Expenses	2.35	1.82
Audit Fees	0.22	-
Car Hiring Charges	1.16	-
Preliminary Expenses Written-Off	0.12	-
Internet Expenses	0.33	-
Office Expenses	2.55	-
Miscellaneous Expenses	0.31	3.22
Incentive	0.42	-
Professional Fees	-	0.02
Security Charges	-	0.27
TOTAL	8.09	7.41

NOTE NO. 12

EARNING PER SHARE

The numerators and denominators used to calculate Basic and Diluted Earnings per Share:

Profit/(Loss) before extra ordinary items and prior period items (Rs. in lacs) (A)	(17.32)	(12.71)
Equity shares outstanding during the year (in lacs) (B)	1.50	1.50
Basic and diluted earnings per share (Rs.) (A)/(B)	(11.55)	2.93

NOTE NO. 13

RELATED PARTY TRANSACTIONS

Related Parties

A - Holding Company

Wall Street Finance Limited

Sr. No.	Related Party transaction Nature of Transaction	A	
		FY14-15	FY13-14
1	Reimbursement of Expenses	18.70	13.70
2	Credit Balance outstanding	16.77	13.70
3	Issue of Share Capital	-	15.00

As per our report of even date
For and on behalf of
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For and on behalf of the Board

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Mumbai, 30th May 2015