

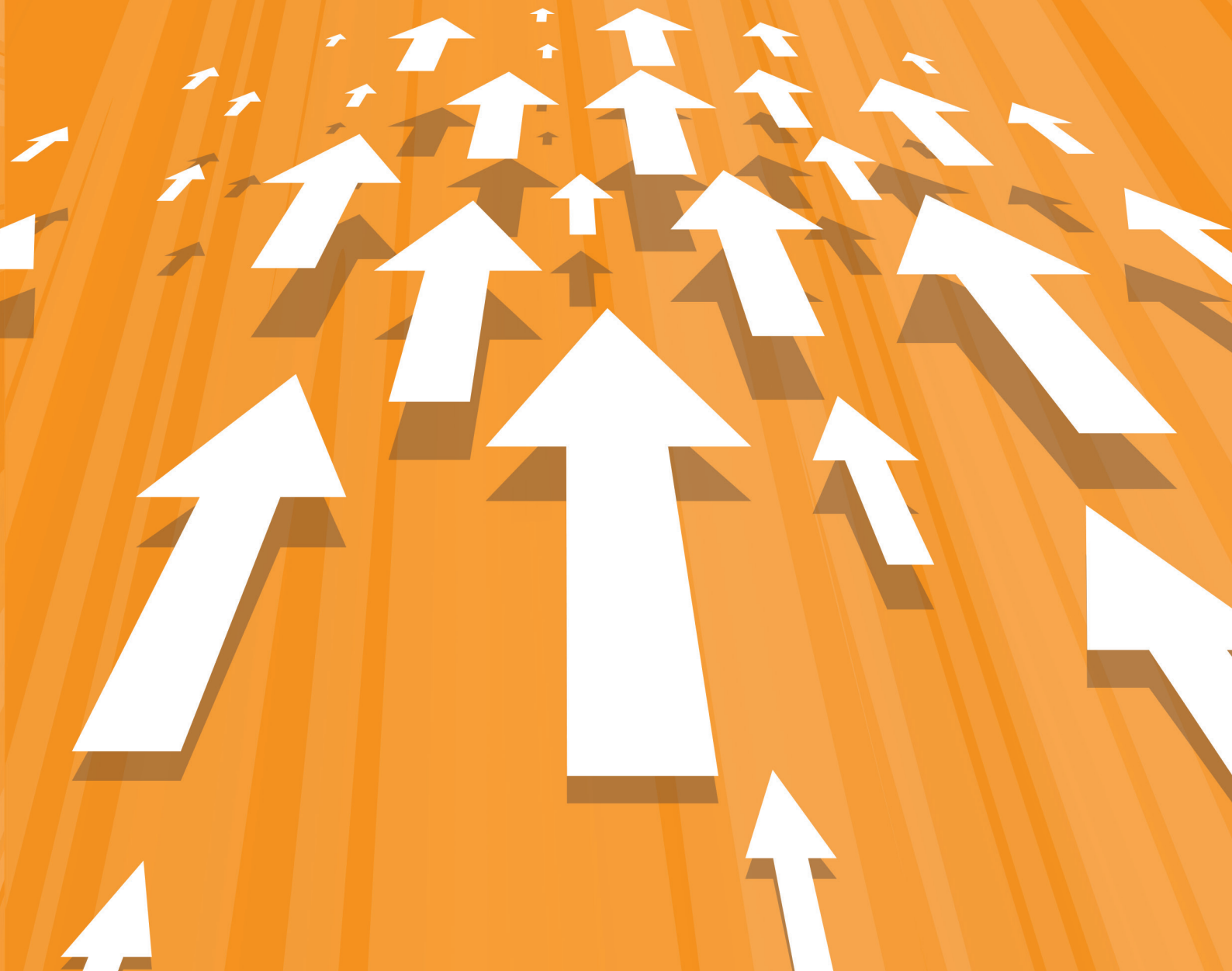


Your success is our success

**Leveraging the core,
DRIVING MOMENTUM.**

Annual Report
2018-19

EMKAY WEALTH ADVISORY LTD



Corporate Information

BOARD OF DIRECTORS

| | | |
|---|------------|-----------------|
| Krishna Kumar Karwa | Chairman | (DIN: 00181055) |
| Prakash Kacholia | Director - | (DIN: 00002626) |
| R.K. Krishnamurthi | Director - | (DIN: 00464622) |
| *Niranjan Nanavati | Director - | (DIN: 00011673) |
| (Note: *Resigned w.e.f. March 15, 2019) | | |

STATUTORY AUDITORS

B.L. Sarda & Associates, Chartered Accountants
61, Rajgir Chambers, 7th Floor, Opp. Old Custom House,
12/14, Shahid Bhagat Singh Road, Mumbai – 400023
Tel. No. 022-22664618, 022-22662752

BANKERS

HDFC Bank Limited
State Bank of India

REGISTERED OFFICE

The Ruby, 7th Floor,
Senapati Bapat Marg,
Dadar (West), Mumbai – 400023

ADMINISTRATIVE OFFICE

Paragon Centre,
“C-06”, Ground Floor,
P. B. Marg, Opp. Birla Centurion,
Worli, Mumbai - 400013

CORPORATE IDENTITY NUMBER

U74110MH2007PLC168496



Your success is our success

EMKAY WEALTH ADVISORY LIMITED

AGM NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the Members of **EMKAY WEALTH ADVISORY LIMITED (Formerly known as Emkay Insurance Brokers Limited)** will be held on Monday, 12th August, 2019 at 5.00 p.m. at the Registered Office of the Company i.e. The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 to transact the following business.

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Balance Sheet of the Company for the year ended on 31st March, 2019 and the Profit & Loss Account for the year ended on that date and the report of the Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mr. R. K. Krishnamurthi (DIN: 00464622), who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. B. L. Sarda & Associates, Chartered Accountants, Mumbai Firm Registration No. 109266W with the Institute of Chartered Accountants of India (ICAI), be and are hereby re-appointed as the Statutory Auditors of the Company for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting to be held thereafter for the F.Y. 2023-2024, on such remuneration as may be determined by the Board of Directors of the Company.”

BY ORDER OF THE BOARD OF DIRECTORS
For **EMKAY WEALTH ADVISORY LIMITED**
(Formerly known as Emkay Insurance Brokers Limited)

Registered Office:

The Ruby, 7th Floor,
Senapati Bapat Marg, Dadar (West),
Mumbai - 400028

Krishna Kumar Karwa
Chairman
DIN: 00181055

Place: Mumbai
Dated: 28th May, 2019

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing a proxy should however be deposited at the registered office of the Company not less than 48 hours before commencement of the meeting.**
2. Members are requested to bring their attendance slip along with the copy of the Annual Report to the Meeting.

DIRECTORS' REPORT

Dear Members,

Your Directors present the 12th Annual Report of your Company and the Audited Financial Statements for the year ended on March 31, 2019.

1. FINANCIAL RESULTS

An overview of the financial performance of the Company for financial year 2018-19 is as under:

| Particulars | 31.03.2019 | 31.03.2018 |
|--|------------|------------|
| Total Income | 103.12 | 132.88 |
| Profit/(Loss) before Exceptional Item and Tax | 5.46 | - |
| Exceptional Item | 171.00 | - |
| Profit Before Tax | 176.46 | (6.02) |
| Less: Current Tax | 34.00 | - |
| Deferred Tax Charge/(Benefit) for the year | - | (0.10) |
| Deferred Tax Charge/(Benefit) for the earlier year | - | - |
| Tax for Earlier Years | - | - |
| Profit After Tax | 142.46 | (5.92) |
| Add: Balance brought forward | (337.19) | (331.28) |
| Amount available for Appropriations | (194.73) | (337.20) |
| Less: Appropriations | - | - |
| Transfer to General Reserves | - | - |
| Balance carried forward | (194.73) | (331.28) |

2. REVIEW OF OPERATIONS AND BUSINESS HIGHLIGHTS

During the year under review, your Company recorded a total income of Rs. 103.12 lacs as compared to Rs. 132.88 lacs in the previous financial year, lower by Rs. 29.76 lacs.

3. RESERVES AND SURPLUS

The Company has not transferred any amount to the General Reserves.

4. DIVIDEND

In order to conserve the resources for future business growth, your directors do not recommend any dividend for the financial year 2018-19.

5. MATERIAL CHANGES

a. CHANGE IN NATURE OF BUSINESS OF THE COMPANY DURING THE FINANCIAL YEAR.

During the financial year the Company with the approval of its members has sold/transferred its Insurance

Broking Business to M/s Ideal Insurance Brokers Private Limited. Subsequently the Company applied for voluntary surrender of IRDA License under Section 57 of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018.

Pursuant to the sale/transfer transaction and one of the conditions mentioned in the In-principal approval received from IRDA dated August 8, 2018 stating that the surrender of the certificate of registration / insurance broking license of the Company shall be in terms of the procedure laid down in Schedule-III- Form AA read with Regulation 57(4) of IRDAI (IB) Regulations, 2018, the Company subsequently proceeded with Change in name and Main Objects clause of the Company.

The name of the Company has been changed from 'EMKAY INSURANCE BROKERS LIMITED' to 'EMKAY WEALTH ADVISORY LIMITED' and the object clause of the Company has been altered from Insurance Broking to Wealth Advisory business with effect from March 1, 2019. The Company has signed the Business transfer Agreement signed on March 22, 2019 with M/s Ideal Insurance Brokers Private Limited. The final approval from IRDA is still awaited.

For operational efficacy the Company has also shifted its registered office from '4D, 4th Floor, Hamam House, Ambalal Doshi Marg, Fort, Mumbai – 400023' to 'The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400028' with effect from March 7, 2019.

During the year Mr. Niranjana Nanavati, Director of the Company resigned from the Directorship with effect from March 15, 2019. The Company thanks him for his immense contribution towards the Company.

6. DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. R. K. Krishnamurthi (DIN: 00464622), Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the Company. The Board of Directors recommends his re-appointment.

7. CORPORATE GOVERNANCE

a. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2018-2019, 8 Meetings were held on 28.05.2018, 14.08.2018, 16.10.2018, 30.10.2018, 10.12.2018, 10.01.2019, 30.01.2019 and 07.03.2019.

The details of the attendance of Directors at the meeting are as under:

| Name of the Director | Category | Board Meetings during Financial Year 2017-18 | |
|-------------------------|----------|--|----------|
| | | Held | Attended |
| Mr. Krishna Kumar Karwa | Director | 8 | 8 |
| Mr. Prakash Kacholia | Director | 8 | 8 |
| Mr. R. K. Krishnamurthi | Director | 8 | 8 |
| Mr. Niranjana Nanavati | Director | 8 | 5 |

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- 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 the end of the financial year and of the profit of the Company for the year under review.
- 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.
- The directors have prepared the annual accounts on a going concern basis.
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The directors had laid down systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate & operating effectively.

9. PUBLIC DEPOSITS

During the year, your Company has not accepted and/or renewed any public deposits in terms of the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees or Investments covered under Section 186 of the Companies Act, 2013, are given under notes to the Financial Statements.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

The details of the related party transactions, as per requirement of Accounting Standards-18 are disclosed in notes to the financial statements of the Company

for the financial year 2018-19. All the directors have disclosed their interest in Form MBP-1 pursuant to Section 184 of the Companies Act, 2013 and as and when any changes in their interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict with the interest of the Company. The particulars of contracts or arrangements with related parties referred to in Section 188(1), in prescribed Form AOC - 2 under Companies (Accounts) Rules, 2014 are appended as **"Annexure B"**.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy, Technology Absorption do not have much relevance to the activities of the Company since it does not own any manufacturing facility and hence the disclosure of information to be disclosed in terms of Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption are not given. There were no foreign exchange earnings and outgo during the year.

13. REGULATORY UPDATES

a. Significant and Material Orders passed by the regulators or courts

During the financial year 2018-19 under review there were no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations. Further, no penalties have been levied by any Regulators during the financial year under review.

14. AUDITORS AND AUDITORS' REPORT

a. STATUTORY AUDITORS' REPORT

There is no qualification, disclaimer and adverse remarks by the Statutory Auditor of the Company for the end of financial year 2018-19.

b. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or

re-enactment(s) thereof for the time being in force), the Company had appointed M/s. B. L. Sarda & Associates, Chartered Accountants, bearing Firm Registration Number 109266W with the Institute of Chartered Accountants of India (ICAI), as the Statutory Auditors of the Company to hold office from the conclusion of the 11th Annual General Meeting till the conclusion of the 12th Annual General Meeting to be held for the financial year 2018-19.

Since, the term of the present Auditor is expiring in the ensuing Annual General Meeting, your Directors recommend to re-appoint M/s. B. L. Sarda & Associates, Chartered Accountants, Mumbai as the Statutory Auditors of the Company for the term of five years to hold office from the conclusion of 12th Annual General Meeting till the conclusion of 17th Annual General Meeting to be held for the financial year 2023-24.

A certificate has been received from them to the effect that their appointment as Statutory Auditors of the Company, if made, would be within the limits prescribed under Section 139(1) and 141 of the Companies Act, 2013.

There are no qualifications or observations or remarks made by the Auditors in their report.

c. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

d. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditor nor the Secretarial Auditor has reported to the Audit Committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

e. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating

effectively for the Financial Year 2018-19.

15. SECRETARIAL STANDARDS

The Company complies with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

16. HUMAN RESOURCE

a. PARTICULARS OF EMPLOYEES

The particulars of employees, in terms of requirement under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not annexed, as there are no employees whose remuneration falls within the prescribed limits of the Section 197.

b. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year no complaint was filed before the Internal Complaints Committee constituted under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

17. EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual return is given in “**Annexure A**” in the prescribed form MGT-9, which forms part of this report.

18. ACKNOWLEDGEMENT

Your Directors would like to take this opportunity to express sincere gratitude towards the customers, bankers and other business associates for the continued cooperation and patronage provided by them. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Government Authorities, Regulatory Bodies and other entities dealing with the Company.

Your Directors place on record their deep appreciation for the exemplary contribution made by employees at all levels.

On behalf of the Board of Directors

Krishna Kumar Karwa

Chairman

DIN: 00181055

Place: Mumbai

Date: 28.05.2019

ANNEXURE "A"

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON 31ST March, 2019

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

I REGISTRATION AND OTHER DETAILS

| | | |
|-----|---|---|
| | CIN | U74110MH2007PLC168496 |
| i | Registration Date | 8th March, 2007 |
| ii | Name of the Company | Emkay Wealth Advisory Limited (Formerly Known as Emkay Insurance Brokers Limited) |
| iii | Category/ Sub-Category of the Company | Public Limited Company |
| iv | Address of the Registered Office and contact details | The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 Tel. No. 022-66121212 |
| v | Whether Listed Company | No |
| vi | Name, Address and Contact details of Registrar and Transfer Agent, if any | N.A |

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:-

| Sr. No. | Name and Description of Main Products/Service | NIC Code of the Products/Service | % to total turnover of the Company |
|---------|---|----------------------------------|------------------------------------|
| 1 | Direct Insurance Broking | 66220 | 92.47 % |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the Company | CIN Nos | Holding/ Subsidiary/ Associates | % of shares held | Applicable Section |
|---------|---|-----------------------|---------------------------------|------------------|--------------------|
| 1 | Emkay Global Financial Services Limited | L67120MH1995PLC084899 | Holding | 100 | 2(46) |

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category –wise Shareholding

| 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 | - | - | - | - | - | - | - | - | No Change during the year |
| (1) Indian | - | - | - | - | - | - | - | - | |
| a) Individuals/HUF | - | - | - | - | - | - | - | - | |
| b) Central Govt | - | - | - | - | - | - | - | - | |



| 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 | |
| c) State Govt | - | - | - | - | - | - | - | - | No Change during the year |
| d) Bodies Corp | - | 40,99,400 | 40,99,400 | 99.9854 | - | 40,99,400 | 40,99,400 | 99.9854 | |
| e) Bank/FI | - | - | - | - | - | - | - | - | |
| f) ANY OTHER - 6 Individuals Shareholder as a nominee of Promoter each holds 100 shares | - | 600 | 600 | 0.0024 | - | 600 | 600 | 0.0024 | |
| Sub Total A-1 | - | 41,00,000 | 41,00,000 | 100 | - | 41,00,000 | 41,00,000 | 100 | |
| 2 Foreign | - | - | - | - | - | - | - | - | |
| (a)NRI-Individuals | - | - | - | - | - | - | - | - | |
| (b) Others-Individuals | - | - | - | - | - | - | - | - | |
| (c)Bodies Corp | - | - | - | - | - | - | - | - | |
| (d) Bank/FI | - | - | - | - | - | - | - | - | |
| (e) Any Others | - | - | - | - | - | - | - | - | |
| Sub Total (A) (2) | - | - | - | - | - | - | - | - | |
| Total Shareholding of Promoters A= A1+A2 | - | 41,00,000 | 41,00,000 | 100 | - | 41,00,000 | 41,00,000 | 100 | |
| B. Public Shareholding | | | | | | | | | |
| 1. Institution | - | - | - | - | - | - | - | - | |
| a) Mutual Fund | | - | - | - | - | - | - | - | |
| b) Bank/FI | | - | - | - | - | - | - | - | |
| c) Cent. Govt | | - | - | - | - | - | - | - | |
| d) State Govt | | - | - | - | - | - | - | - | |
| e) Venture Capital Funds | | - | - | - | - | - | - | - | |
| f) Insurance Comp | | - | - | - | - | - | - | - | |
| g) FIIS | | - | - | - | - | - | - | - | |
| h) Foreign Venture Capital Funds | | - | - | - | - | - | - | - | |
| i) Others (specify) | | - | - | - | - | - | - | - | |
| Sub Total-B-1 | - | - | - | - | - | - | - | - | |
| 2. Non Institutions | | | | | | | | | |
| a. Bodies Corp | | | | | | | | | |
| 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. State Govt | - | - | - | - | - | - | - | - | |
| d. Venture Capital Funds | - | - | - | - | - | - | - | - | |
| e. Insurance Comp | - | - | - | - | - | - | - | - | |
| f. FIIS | - | - | - | - | - | - | - | - | |

| 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 | |
| g. Foreign Vanture Capital Funds | - | - | - | - | - | - | - | - | No change during the year |
| h. Others (specify) | | | | | | | | | |
| a. Clearing member | - | - | - | - | - | - | - | - | |
| b. Trust | - | - | - | - | - | - | - | - | |
| c. NRIs | - | - | - | - | - | - | - | - | |
| d. NRN | - | - | - | - | - | - | - | - | |
| Sub Total B-2 | - | - | - | - | - | - | - | - | |
| Total Public Shareholding B=B1+B2 | - | - | - | - | - | - | - | - | |
| C.Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | |
| Grand Total (A+B+C) | - | 41,00,000 | 41,00,000 | 100 | - | 41,00,000 | 41,00,000 | 100 | |

(ii) Shareholding of Promoters:

| Sr. No. | Shareholders Name | Shareholding at the Beginning of the Year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|---------|---|---|-------------------------------------|---|-------------------------------------|-------------------------------------|---|---|
| | | No. of Shares | %of the total shares of the Company | %of Shares Pledged / encumbered to total shares | No. of Shares | %of the total shares of the Company | %of Shares Pledged / encumbered to total shares | |
| 1 | Emkay Global Financial Services Limited | 40,99,400 | 99.9854 | - | 40,99,400 | 99.9854 | - | No Change in Shareholding during the year |
| 2 | Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | - | 100 | 0.0024 | - | |
| 3 | Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | - | 100 | 0.0024 | - | |
| 4 | Priti Karwa as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | - | 100 | 0.0024 | - | |
| 5 | Priti Kacholia as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | - | 100 | 0.0024 | - | |
| 6 | Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | - | 100 | 0.0024 | - | |
| 7 | Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | - | 100 | 0.0024 | - | |
| | Total | 41,00,000 | 100.0000 | - | 41,00,000 | 100.0000 | - | |

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

| Sr. No. | | 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 | At the Beginning of the year | | | | |
| A | Emkay Global Financial Services Limited | 40,99,400 | 99.9854 | 40,99,400 | 99.9854 |
| B | Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |
| C | Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |
| D | Priti Karwa as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |
| E | Priti Kacholia as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |
| F | Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |
| G | Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |
| 2 | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc | NIL | NIL | NIL | NIL |
| A | Emkay Global Financial Services Limited | - | - | - | - |
| B | Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd | - | - | - | - |
| C | Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd | - | - | - | - |
| D | Priti Karwa as a nominee of Emkay Global Financial Services Ltd | - | - | - | - |
| E | Priti Kacholia as a nominee of Emkay Global Financial Services Ltd | - | - | - | - |
| F | Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd | - | - | - | - |
| G | Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd | - | - | - | - |
| 3 | At the End of the year | | | | |
| A | Emkay Global Financial Services Limited | 40,99,400 | 99.9854 | 40,99,400 | 99.9854 |
| B | Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |

| Sr. No. | | 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 |
| C | Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |
| D | Priti Karwa as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |
| E | Priti Kacholia as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |
| F | Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |
| G | Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd | 100 | 0.0024 | 100 | 0.0024 |

Note: There was no change in the Promoters Shareholding during the Financial Year

(iv) Shareholding pattern of top ten shareholders (other than Directors / Promoters and holders of GDRs and ADRs. NIL

| Sr. No. | For each of the Top Ten 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 |
| | At the beginning of the year | - | - | - | - |
| | Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | - | - | - | - |
| | | Shareholding at the end 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 |
| | At the End of the year (or on the date of separation, if separated during the year) | - | - | - | - |

v) Shareholding of Directors and Key Managerial Personnel.-- NIL

| Sr. No. | For each of the Directors /KMP | Beginning of the year | | During the Year | |
|------------|--|-----------------------|--|------------------|--|
| | | No. of shares | % of total shares of the Company | No. of shares | % of the total shares of the Company |
| | At the beginning of the year | - | - | - | - |
| | Date wise Increase / Decrease in Share Holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | At the End of the year | - | - | - | - |

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 | | | | |
| x Addition | - | - | - | - |
| x 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: Not Applicable

| Sl. no. | Particulars of Remuneration | Name of Managing Director | | Total Amount Rs. |
|---------|---|---------------------------|---|------------------|
| 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) Income-tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | | | |
| 2. | Stock Option | - | - | - |
| 3. | Sweat Equity | - | - | - |
| 4. | Commission | | | |
| | -as % of profit | | | |
| | -others, specify... | - | - | - |
| 5. | Others, please specify | - | - | - |
| | Total (A) | - | - | - |
| | Ceiling as per the Act | | | |

Remuneration to other directors: Nil

| Sl. no. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|---|---------------------|------------------|---------------------|-------------------|--------------|
| | | Krishna Kumar Karwa | Prakash Kacholia | R. K. Krishnamurthi | Niranjan Nanavati | |
| | 1. Independent Directors | - | - | - | - | - |
| | Fee for attending board/ committee meetings | - | | | | |
| | Commission | | | | | |
| | Others, please specify | | - | - | - | - |
| | Total (1) | - | - | - | - | - |
| | 2. Other Non-Executive Directors | - | - | - | - | - |
| | Fee for attending board committee meetings | - | - | - | - | - |
| | Commission | | | | | |
| | Others, please specify | - | - | - | - | - |
| | Total (2) | - | - | - | - | - |
| | Total (B)=(1+2) | - | - | - | - | - |
| | Total Managerial Remuneration | - | - | - | - | - |
| | Overall Ceiling as per the Act | - | - | - | - | - |

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

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | 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) Income-tax Act, 1961 | | |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | |
| 2. | Stock Option | - | - |
| 3. | Sweat Equity | - | - |
| 4. | Commission | | |
| | - as % of Profit | | |
| | - others, specify... | - | |
| 5. | Others, please specify | - | |
| | Total | | |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE. NIL

| 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 | | | ----NIL---- | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTOR | | | | | |
| Penalty | | | ----NIL---- | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | ---NIL--- | | |
| Punishment | | | | | |
| Compounding | | | | | |

For EMKAY WEALTH ADVISORY LIMITED

(Formerly known as Emkay Insurance Brokers Limited)

Krishna Kumar Karwa**Chairman**

DIN: 00181055

Place: Mumbai

Date: May 28, 2019

ANNEXURE "B"

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

| Sr No | Particulars | Details of Transaction |
|-------|--|--|
| A | Name(s) of the related party and nature of relationship | Emkay Global Financial Services Limited – Holding Company |
| b | Nature of contracts /arrangements /transactions | Reimbursement of Rent, Electricity, Water Charges, Telephone Expenses, Building Maintenance etc for the use of office premises of the Holding Company |
| c | Duration of the contracts / arrangements /transactions | from 1st April, 2018 to 31st March, 2019 |
| d | Salient terms of the contracts or arrangements or transactions including the value, if any | Reimbursement of certain common expenses such as Rent, Electricity, Water Charges, Telephone Expenses, Building Maintenance etc to the Holding Company on the basis of cost incurred by the Holding Company and dividing the same by the total number of employees sitting in the premises to arrive at cost per employee and paying this to the Holding Company on the basis of number of employees of the Company. |
| e | Justification for entering into such contracts or arrangements or transactions | The Company is not having its own office premises. Hence, it is using office premises of its Holding Company. |
| f | Date(s) of approval by the Board | 29.01.2018 |
| g | Amount paid as advances, if any | N.A |
| h | Date on which the resolution was passed in general meeting as required under first proviso to section 188 ## | N.A |

Note:

- ## 1. As per 4th proviso to section 188(1) of the Companies Act, 2013 passing of shareholders resolution under 1st proviso is not applicable for transactions entered into between Holding Company and its wholly owned subsidiary company whose accounts are consolidated with such Holding Company and placed before the shareholders at the Annual General Meeting for approval.

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

2. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship: N.A
- (b) Nature of contracts/arrangements/transactions: N.A
- (c) Duration of the contracts / arrangements/transactions: N.A
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A
- (e) Date(s) of approval by the Board, if any: N.A
- (f) Amount paid as advances, if any: N.A

For EMKAY WEALTH ADVISORY LIMITED

(Formerly known as Emkay Insurance Brokers Limited)

Krishna Kumar Karwa

Chairman

DIN: 00181055

Place: Mumbai

Date: May 28, 2019

INDEPENDENT AUDITOR'S REPORT

To The Members of EMKAY WEALTH ADVISORY LIMITED
(FORMERLY EMKAY INSURANCE BROKERS LIMITED)

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **EMKAY WEALTH ADVISORY LIMITED (FORMERLY EMKAY INSURANCE BROKERS LIMITED)** ("the Company"), which comprises of Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the Act) in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, its profits and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information

comprises the information included in the Board's Report including Annexures to the Board Report, but does not include the standalone financial statement and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance sheet, the Statement of Profit & 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 (Account) Rules, 2014.
- (e) On the basis of the written representation received from the directors as on March 31, 2019 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2019 from being appointed as a Directors in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
- (g) With respect to the matters to be included in the Auditor's report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8th November, 2016 to 30th December, 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For B. L. Sarda & Associates

Chartered Accountants
Firm Registration No.109266W

(CA B.L. Sarda)

Partner
Membership Number : 014568

Place: Mumbai
Date : 28th May, 2019

Annexure "A"

to Independent Auditor's report of even date to the members of Emkay Wealth Advisory Limited (Formerly Emkay Insurance Brokers Limited on the standalone financial statements as at and for the year ended 31st March, 2019

- (i) (a) In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, fixed assets of the Company have been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property during the year. Accordingly, paragraph 3(i)(c) of the order is not applicable to the Company.
- (ii) The Company does not hold any inventory during the year. Accordingly paragraph 3(ii) of the order is not applicable to the Company.
- (iii) The Company has not granted any secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph 3(iii) of the order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Act are applicable. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Rules framed there under to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the rules made by the Central Government under Section 148 (1) of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, goods and services tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears, as on 31st March, 2019 for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of employees' state insurance, sales-tax, service tax, duty of customs, duty of excise and value added tax.
- (b) As at 31st March, 2019, 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 and goods and services tax which have not been deposited on account of any dispute.
- (viii) The Company has not obtained any loan or borrowings from any financial institution, bank or government. Further, the Company does not have any debentures issued/outstanding any time during the year. Accordingly paragraph 3(viii) of the order is not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable to the Company.
- (x) Based on the audit procedures performed and according to the information and explanations given by the management, we report that no fraud by the company or on the Company by its officers or employees has been noticed or reported during the year ended 31st March, 2019 nor have we been informed of such case by the management during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/ provided for managerial remuneration during the year. Accordingly paragraph 3(xi) of the order is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us the Company is not a nidhi company. Accordingly paragraph 3(xii) of the order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in note 22 of the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-

cash transactions with directors or persons connected with him as prescribed under section 192 of the Act. Accordingly paragraph 3(xv) of the order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly paragraph 3(xvi) of the order is not applicable to the Company.

For B. L. Sarda & Associates
Chartered Accountants
Firm Registration No.109266W

(CA B.L. Sarda)
Partner
Membership Number : 014568

Place: Mumbai
Date : 28th May, 2019

Annexure “B”

to Independent Auditor’s report of even date to the members of Emkay Wealth Advisory Limited (Formerly Emkay Insurance Brokers Limited on the standalone financial statements for the year ended 31st March, 2019

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

1. We have audited the internal financial controls over financial reporting of **EMKAY WEALTH ADVISORY LIMITED (FORMERLY EMKAY INSURANCE BROKERS LIMITED)** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to

error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal

control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. L. Sarda & Associates

Chartered Accountants
Firm Registration No.109266W

(CA B.L. Sarda)

Partner
Membership Number : 014568

Place: Mumbai
Date : 28th May, 2019

BALANCE SHEET

As at 31st March, 2019

| PARTICULARS | Note No. | As At 31st March, 2019 (₹) | As At 31st March, 2018 (₹) |
|--|----------|-------------------------------|-------------------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' FUND | | | |
| Share Capital | 3 | 4,10,00,000 | 4,10,00,000 |
| Reserves and Surplus | 4 | (1,94,72,883) | (3,37,19,231) |
| | | 2,15,27,117 | 72,80,769 |
| NON-CURRENT LIABILITIES | | | |
| Deferred Tax Liabilities (Net) | | - | - |
| | | - | - |
| CURRENT LIABILITIES | | | |
| Trade Payables | | | |
| - Total outstanding dues of Micro Enterprises and Small Enterprises | 5 | - | - |
| - Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises | 5 | - | - |
| Other Current Liabilities | 6 | 5,46,002 | 25,89,160 |
| | | 5,46,002 | 25,89,160 |
| TOTAL | | 2,20,73,119 | 98,69,929 |
| ASSETS | | | |
| NON- CURRENT ASSETS | | | |
| Property, Plant and Equipment | | | |
| - Tangible Assets | 7 (a) | 48,673 | 1,56,567 |
| - Intangible Assets | 7 (b) | - | - |
| Long Term Loans and Advances | 8 | 22,16,439 | 30,74,107 |
| Other Non Current Assets | 9 | 10,03,576 | 10,03,576 |
| | | 32,68,688 | 42,34,250 |
| CURRENT ASSETS | | | |
| Trade Receivables | 10 | 3,19,565 | 13,54,304 |
| Cash and Cash Equivalents | 11 | 1,82,71,534 | 40,27,750 |
| Short Term Loans and Advances | 12 | 1,14,411 | 69,670 |
| Other Current Assets | 13 | 98,921 | 1,83,955 |
| | | 1,88,04,431 | 56,35,679 |
| TOTAL | | 2,20,73,119 | 98,69,929 |
| SIGNIFICANT ACCOUNTING POLICIES | 2 | | |

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
For **B. L. Sarda & Associates**
Chartered Accountants

(CA B. L. Sarda)
Partner
Membership No.014568

Place: Mumbai
Dated: 28th May, 2019

For and on behalf of the Board of
EMKAY WEALTH ADVISORY LIMITED
(Formerly Known as Emkay Insurance Brokers Ltd.)

Krishna Kumar Karwa
Director

Prakash Kacholia
Director

Place: Mumbai
Dated: 28th May, 2019

STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2019

| Particulars | Note No. | For the year ended 31st March, 2019 (₹) | For the year ended 31st March, 2018 (₹) |
|---|-----------|---|---|
| Revenue from Operations | 14 | 95,35,361 | 1,31,04,434 |
| Other Income | 15 | 7,76,372 | 1,83,986 |
| Total Revenue | | 1,03,11,733 | 1,32,88,420 |
| Expenses | | | |
| Employee Benefits Expense | 16 | 64,52,968 | 1,02,61,926 |
| Finance Costs | | - | - |
| Depreciation and Amortization Expense | 17 | 70,801 | 2,70,121 |
| Other Expenses | 18 | 32,41,616 | 33,58,115 |
| Total Expenses | | 97,65,385 | 1,38,90,162 |
| Profit/(Loss) for the year before exceptional item and tax | | 5,46,348 | (6,01,742) |
| Add: Exceptional Items | 19 | 1,71,00,000 | - |
| Profit/(Loss) Before Tax | | 1,76,46,348 | (6,01,742) |
| Tax Expense: | | | |
| - Current Tax | | 34,00,000 | - |
| - Deferred Tax Charge/(benefit) | | - | (10,100) |
| Profit/(Loss) for the year | | 1,42,46,348 | (5,91,642) |
| Earnings per Equity Share of Nominal value of Rs. 10 each | | | |
| - Basic | | 3.47 | (0.14) |
| - Diluted | | 3.47 | (0.14) |
| SIGNIFICANT ACCOUNTING POLICIES | 2 | | |

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
For **B. L. Sarda & Associates**
Chartered Accountants

(CA B. L. Sarda)
Partner
Membership No.014568

Place: Mumbai
Dated: 28th May, 2019

For and on behalf of the Board of
EMKAY WEALTH ADVISORY LIMITED
(Formerly Known as Emkay Insurance Brokers Ltd.)

Krishna Kumar Karwa
Director

Prakash Kacholia
Director

Place: Mumbai
Dated: 28th May, 2019

CASH FLOW STATEMENT

For the year ended 31st March, 2019

| | As at 31st March, 2019 | | As at 31st March, 2018 | |
|---|------------------------|--------------------|------------------------|--------------------|
| | (₹) | (₹) | (₹) | (₹) |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit/(Loss) before tax, Exceptional / Extraordinary Items | | 5,46,348 | | (6,01,742) |
| Adjustment for : | | | | |
| Depreciation & Amortization Expenses | 70,801 | | 2,70,121 | |
| Interest Received | (7,60,128) | | (1,83,986) | |
| (Gain)/Loss on Disposal of Property, Plant and Equipment | (16,244) | | 4,115 | |
| Provision for Doubtful Debts (Net off written back) | (1,70,884) | (8,76,455) | 1,51,935 | 2,42,185 |
| Operating profit before working capital changes | | (3,30,107) | | (3,59,557) |
| Adjustment for : | | | | |
| Trade and other receivables | 12,70,733 | | (4,90,701) | |
| Trade and other payables | (20,43,158) | (7,72,425) | 9,03,355 | 4,12,654 |
| Cash Generated from operations | | (11,02,532) | | 53,097 |
| Direct taxes (Paid)/Refund | | (25,67,149) | | (12,34,802) |
| Cash flow before exceptional / extraordinary items | | (36,69,681) | | (11,81,705) |
| Exceptional items | | 1,71,00,000 | | - |
| Net Cash from/(used in) Operating Activities | | 1,34,30,319 | | (11,81,705) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Interest received | 7,60,128 | | 1,83,986 | |
| Sale/Disposal of Property, Plant and Equipment | 53,337 | | 992 | |
| Purchase of Property, Plant and Equipment | - | 8,13,465 | (1,29,275) | 55,703 |
| Net Cash from/(used in) Investing Activities | | 8,13,465 | | 55,703 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | - | | - |
| Net Cash from/(used in) Financing Activities | | - | | - |
| Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C) | | 1,42,43,784 | | (11,26,002) |
| Cash and Cash equivalents at the beginning of the Year | | 40,27,750 | | 51,53,752 |
| Cash and Cash equivalents at the close of the Year | | 1,82,71,534 | | 40,27,750 |

Notes:

| | | | | | |
|----|--|--|--------------------|--|------------------|
| 1) | Cash and cash equivalents comprise of : | | | | |
| | Balances with a Scheduled Banks | | | | |
| | - In Current Accounts | | 37,59,679 | | 20,18,405 |
| | - In Deposit Account | | 1,45,00,000 | | 20,00,000 |
| | Cash on hand | | 11,855 | | 9,345 |
| | | | 1,82,71,534 | | 40,27,750 |

- 2) Cash flow statement has been prepared under the Indirect Method as set out in the Accounting Standard -3 (AS-3) "Cash Flow Statement".
- 3) Cash & cash equivalent excludes deposit with a bank which have been lien marked in favour of regulatory authorities.
- 4) Previous year's figures are re-grouped/ recasted/re-arranged wherever considered necessary.

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
For **B. L. Sarda & Associates**
Chartered Accountants

(CA B. L. Sarda)
Partner
Membership No.014568

Place: Mumbai
Dated: 28th May, 2019

For and on behalf of the Board of
EMKAY WEALTH ADVISORY LIMITED
(Formerly Known as Emkay Insurance Brokers Ltd.)

Krishna Kumar Karwa
Director

Prakash Kacholia
Director

Place: Mumbai
Dated: 28th May, 2019

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

1. Corporate Information

The company was incorporated on 8th March, 2007 as a Wholly Owned Subsidiary of M/s. Emkay Global Financial Services Limited. The Company has been carrying on the business of Direct Insurance Broking in terms of the provisions of the Insurance Regulatory and Development Authority Act, 1999 which has been discontinued on and with effect from 22nd March, 2019. The Company changed its name to Emkay Wealth Advisory Limited vide certificate dated 1st March, 2019 issued by the Office of the Registrar of Companies, Mumbai, Maharashtra and also its main objects for carrying on the business of Wealth Management/Investment Advisory Services.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

The shareholders of the Company have decided by passing a Special Resolution at the Extra Ordinary General Meeting held on 21st January, 2019 to undertake the new business of Wealth Management/Investment Advisory Services. Subsequent to the date of Balance Sheet, in furtherance to the said decision of the shareholders, the management of the Company has initiated steps to commence the said business. Though the Company had incurred net cash losses during the previous year/s and having substantial accumulated losses as at 31st March, 2019, still the Company has adequate financial resources available with it and has continued support from the holding company M/s. Emkay Global Financial Services Limited in raising adequate financial resources as and when needed in the coming years for carrying on the said new business of Wealth Management/Investment Advisory Services. Accordingly, the accompanying financial statements have been prepared on the assumption that the entity is a going concern and will continue its operation for the foreseeable future and prepared its financial statements using the going concern basis of accounting which were prepared in the previous financial year ended 31.03.2018 under the realization basis of accounting when it was concluded that the Company is not a going concern on discontinuation of Direct Insurance Broking business.

2.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and the differences between actual results and estimates are recognized in the periods in which the results are known / materialize.

2.3 Revenue Recognition

Revenue is recognized to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured and it is not unreasonable to expect ultimate collection. In case of uncertainty as to the ultimate collection, the recognition of revenue is postponed.

- a) Brokerage Income on first year premium of insurance policies is recognized, when an insurance policy sold by the Company is accepted by the insurer. Renewal brokerage on policies is accounted for on receipt of renewal premium by the insurer.
- b) Consultancy Fees is recognized as and when such services are completed/ performed.
- c) Brokerage, Consultancy Fees and Advisory Fees are net of Goods and Services Tax as applicable.
- d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.4 Tangible Assets & Depreciation

- a) Tangible Assets are stated at cost of acquisition including incidental expenses related to such acquisition and installation less accumulated depreciation.
- b) Depreciation on Tangible Assets has been provided on written down value method and computed with reference to the useful life of

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

respective assets specified and in the manner prescribed in Schedule II of the Companies Act, 2013 including pro rata depreciation on additions/deletions made during the year.

2.5 Intangible Assets & Amortization

Items of expenditure that meet the recognition criteria as mentioned in Accounting Standard- 26 "Intangible Assets" are classified as intangible assets and are amortized over the period of their economic benefits.

Software are stated at cost of acquisition and are amortized on straight-line basis over a period of 3 years irrespective of the date of Acquisition.

2.6 Employee Benefits

➤ Short Term Benefits:

All employee benefits including short term compensated absences and statutory bonus/ performance bonus/incentive payable wholly within twelve months of rendering the service are classified as short term employee benefits and are charged to the Statement of Profit and Loss of the year.

➤ Long Term Benefits:

• Post Employment Benefits

Defined Contribution Plans: Retirement/Employee Benefits in the form of Provident Fund is considered as defined contribution plan. Contributions during the year to the said fund administered by the Government are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due.

Defined Benefit Plans: Retirement benefits in the form of gratuity is considered as defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made as at the date of the Balance Sheet. The scheme is maintained and administered by an insurer to which the trustees make periodic contribution. Actuarial gain/loss, if any is recognized in the Statement of Profit and Loss.

• Other Long Term Benefits

As per the present policy of the company, there are no other long term benefits to which its employees are entitled.

2.7 Share Issue/ Preliminary Expenses

Share Issue/ Preliminary Expenses are recognized as an expense in the year in which it is incurred in accordance with Accounting Standard – 26 on "Intangible Assets".

2.8 Taxation

Provision for taxation has been made in accordance with the Income Tax Laws prevailing for the relevant assessment years.

2.9 Deferred Taxation

Deferred tax assets and liabilities are recognized for timing differences between the accounting and taxable income measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each Balance Sheet date, the carrying amount of the deferred tax assets is reviewed to assess its realization.

2.10 Minimum Alternative Tax (MAT) Credit Entitlement

MAT Credit is recognized 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 MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

& Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

2.11 Contingencies and Events occurring after the Balance Sheet Date

Events occurring after the Balance Sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered up to the date of approval of accounts by the Board of Directors, where material.

2.12 Impairment

Where the recoverable amount of a Property, Plant and Equipment is lower than its carrying amount, a provision is made for the impairment loss. Post impairment, depreciation is provided for on the revised carrying value of the asset over its remaining useful life.

2.13 Provisions, Contingent Liabilities and Contingent Assets

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

2.14 Assets on Operating Leases

Lease payments under operating lease are recognized as expenses on accrual basis in accordance with the respective lease and license agreements.

2.15 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, balances with bank in current accounts (other than earmarked) and fixed deposits with bank (free from encumbrances).

2.16 Segment

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are included under "Unallocated".

2.17 Earnings Per share

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

3 : Share Capital

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|--|-------------------------------|-------------------------------|
| Authorised | | |
| 5,000,000 (P.Y. 5,000,000) Equity Shares of Rs. 10/- each | 5,00,00,000 | 5,00,00,000 |
| Issued, Subscribed & Paid Up | | |
| 4,100,000 (P.Y. 4,100,000) Equity Shares of Rs.10/- each fully paid up | 4,10,00,000 | 4,10,00,000 |
| | 4,10,00,000 | 4,10,00,000 |

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

| Particulars | As at 31st March, 2019 | | As at March 31, 2018 | |
|--|---------------------------|-------------|-------------------------|-------------|
| | No of Shares | Amount (₹) | No of Shares | Amount (₹) |
| Equity Shares | | | | |
| At the beginning of the reporting period | 41,00,000 | 4,10,00,000 | 41,00,000 | 4,10,00,000 |
| Add: Shares issued during the reporting period | - | - | - | - |
| Outstanding at the end of reporting period | 41,00,000 | 4,10,00,000 | 41,00,000 | 4,10,00,000 |

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pay dividends in Indian Rupees. The dividend proposed if any by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except interim dividend.

In the event of liquidation of the company, the holders of Equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company

The entire 41,00,000 (previous year 41,00,000) equity shares of Rs. 10 each fully paid up are held by Holding Company Emkay Global Financial Services Limited.

d. Details of shareholders holding more than 5% shares in the company:

| Name of the shareholder | As at 31st March, 2019 | | As at March 31, 2018 | |
|---|---------------------------|--------|-------------------------|--------|
| | No of Shares | % held | No of Shares | % held |
| Equity Shares of Rs. 10 each fully paid | | | | |
| Emkay Global Financial Services Limited (Holding Company) and its Nominees. | 41,00,000 | 100 | 41,00,000 | 100 |

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

4 : Reserves & Surplus

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|--|-------------------------------|-------------------------------|
| Surplus/(Deficit) in the Statement of Profit & Loss | | |
| Balance as at the beginning of the year | (3,37,19,231) | (3,31,27,589) |
| Add: Profit/(Loss) for the year | 1,42,46,348 | (5,91,642) |
| Available For Appropriations | (1,94,72,883) | (3,37,19,231) |
| Less: Appropriations | - | - |
| Net Surplus/(Deficit) in the Statement of Profit and Loss | (1,94,72,883) | (3,37,19,231) |

5 : Trade Payables

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|--|-------------------------------|-------------------------------|
| Total outstanding dues of Micro Enterprises and Small Enterprises | - | - |
| | - | - |
| Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises | - | - |
| | - | - |

The details of amount outstanding to Micro, Small and Medium Enterprises defined under “Micro, Small and Medium Enterprises Development Act, 2006” (as identified based on information available with the company and relied upon by the Auditors) is as under -

| | | |
|--|---|---|
| - Principal amount due and remaining unpaid | - | - |
| - Interest due on above and the unpaid interest | - | - |
| - Interest paid | - | - |
| - Payment made beyond the appointed day during the year | - | - |
| - Interest due and payable for the period of delay | - | - |
| - Interest accrued and remaining unpaid | - | - |
| - Amount of further interest remaining due and payable in succeeding years | - | - |

6 : Other Current Liabilities

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|---|-------------------------------|-------------------------------|
| Others | | |
| Advances received | | |
| -from clients | - | 67,251 |
| Statutory Liabilities | 92,624 | 5,33,527 |
| Payable for Expenses | | |
| - to Holding Company [Refer Note No. 22(B)(II)] | - | 1,92,078 |
| - to Others | 4,46,497 | 17,96,304 |
| Other Payables | 6,881 | - |
| | 5,46,002 | 25,89,160 |

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

7 (a) : Tangible Assets

| | Furniture & Fixtures (₹) | Office Equipments (₹) | Computers (₹) | Total (₹) |
|------------------------------|--------------------------|-----------------------|------------------|------------------|
| Gross Block (At Cost) | | | | |
| At 1st April 2017 | 2,175 | 2,808 | 9,92,450 | 9,97,433 |
| Additions | - | - | 1,29,275 | 1,29,275 |
| Deductions | - | - | 1,19,477 | 1,19,477 |
| At 31st March 2018 | 2,175 | 2,808 | 10,02,248 | 10,07,231 |
| Additions | - | - | - | - |
| Deductions | - | - | 2,33,389 | 2,33,389 |
| At 31st March 2019 | 2,175 | 2,808 | 7,68,859 | 7,73,842 |
| Depreciation | | | | |
| At 1st April 2017 | 2,175 | 2,808 | 7,73,389 | 7,78,372 |
| Charge for the year | - | - | 1,86,662 | 1,86,662 |
| Deductions | - | - | 1,14,370 | 1,14,370 |
| At 31st March 2018 | 2,175 | 2,808 | 8,45,681 | 8,50,664 |
| Charge for the year | - | - | 70,801 | 70,801 |
| Deductions | - | - | 1,96,296 | 1,96,296 |
| At 31st March 2019 | 2,175 | 2,808 | 7,20,186 | 7,25,169 |
| Net Block | | | | |
| At 31st March 2018 | - | - | 1,56,567 | 1,56,567 |
| At 31st March 2019 | - | - | 48,673 | 48,673 |

7 (b) : Intangible Assets

| | Software (₹) | Total (₹) |
|------------------------------|-----------------|-----------------|
| Gross Block (At Cost) | | |
| At 1st April 2017 | 2,63,157 | 2,63,157 |
| Additions | - | - |
| Deductions | - | - |
| At 31st March 2018 | 2,63,157 | 2,63,157 |
| Additions | - | - |
| Deductions | - | - |
| At 31st March 2019 | 2,63,157 | 2,63,157 |
| Amortization | | |
| At 1st April 2017 | 1,79,698 | 1,79,698 |
| Charge for the year | 83,459 | 83,459 |
| Deductions | - | - |
| At 31st March 2018 | 2,63,157 | 2,63,157 |
| Charge for the year | - | - |
| Deductions | - | - |
| At 31st March 2019 | 2,63,157 | 2,63,157 |
| Net Block | | |
| At 31st March 2018 | - | - |
| At 31st March 2019 | - | - |

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

8 : Long-term Loans & Advances

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|--|-------------------------------|-------------------------------|
| Unsecured, Considered Good | | |
| Deposits | 28,000 | - |
| Advances recoverable in cash or kind or for value to be received | 14,138 | 66,955 |
| Other Loans & Advances | | |
| Income Tax paid (net of provisions) | 21,74,301 | 30,07,152 |
| | 22,16,439 | 30,74,107 |

9 : Other Non Current Assets

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|---|-------------------------------|-------------------------------|
| Other Bank Balances | | |
| - In Deposits Account with maturity more than 12 months | 10,00,000 | 10,00,000 |
| - Accrued Interest on Fixed Deposits | 3,576 | 3,576 |
| | 10,03,576 | 10,03,576 |

Note:

- Deposits with banks of Rs.10,00,000/- (P.Y. Rs.10,00,000/-) are with maturity of more than 12 months on which lien is marked in favour of IRDA.

10 : Trade Receivables

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|--|-------------------------------|-------------------------------|
| Unsecured (Considered Good unless otherwise stated) | | |
| Outstanding for a period exceeding six months from the date they are due for payment | | |
| - Considered Good | 49,151 | - |
| - Considered Doubtful | - | 1,70,884 |
| | 49,151 | 1,70,884 |
| Less: Provision for Doubtful Debts | - | 1,70,884 |
| | 49,151 | - |
| Other Receivables | 2,70,414 | 13,54,304 |
| | 3,19,565 | 13,54,304 |

11 : Cash and Cash Equivalents

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|---------------------------|-------------------------------|-------------------------------|
| Cash and Cash Equivalents | | |
| Balance with Banks : | | |
| - In Current Accounts | 37,59,679 | 20,18,405 |

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|----------------------|-------------------------------|-------------------------------|
| - In Deposit Account | 1,45,00,000 | 20,00,000 |
| Cash on Hand | 11,855 | 9,345 |
| | 1,82,71,534 | 40,27,750 |

Note:-

- i) Deposits with banks of Rs.14,500,000/- (P.Y. Rs.20,00,000/-) are with original maturity of more than 12 months but within one year from the Reporting Date.

12 : Short Term Loans and Advances

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|--|-------------------------------|-------------------------------|
| Unsecured, considered good | | |
| Advances recoverable in cash or kind or for value to be received | 76,244 | - |
| Other Loans and Advances | | |
| Prepaid Expenses | 4,269 | 40,762 |
| Goods and Services Tax Input Credit Available/Receivable | 33,898 | 28,908 |
| | 1,14,411 | 69,670 |

13 : Other Current Assets

| Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|--|-------------------------------|-------------------------------|
| Interest accrued on fixed deposits with bank | 98,921 | 5,326 |
| Income Receivable | - | 1,78,629 |
| | 98,921 | 1,83,955 |

14 : Revenue from Operations

| Particulars | For the Year ended March 31, 2019 (₹) | For the Year ended March 31, 2018 (₹) |
|--|--|--|
| Sale of Services | | |
| - Brokerage | 91,54,592 | 1,27,75,994 |
| Other Operating Revenues | | |
| Interest on Deposit with* | | |
| - Banks | 72,500 | 72,500 |
| Provision for Doubtful Debt Written Back | 1,50,450 | 18,052 |
| Sundry Credit Balances Written Back | 1,47,491 | - |
| Liability No Longer Payable written back | 10,328 | 2,37,888 |
| | 95,35,361 | 1,31,04,434 |

* Acquired/held for the purposes of regulatory authorities.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

15 : Other Income

| Particulars | For the Year ended March 31, 2019 (₹) | For the Year ended March 31, 2018 (₹) |
|---|--|--|
| Interest from | | |
| - Banks* | 6,75,348 | 1,83,986 |
| - Others | 84,780 | - |
| Gain on Disposal/Discard of Property, Plant and Equipment | 16,244 | - |
| | 7,76,372 | 1,83,986 |

* Acquired/held for the purposes other than of regulatory authorities.

16 : Employee Benefits Expense

| Particulars | For the Year ended March 31, 2019 (₹) | For the Year ended March 31, 2018 (₹) |
|---------------------------------|--|--|
| Salaries and Other Benefits | 59,55,951 | 98,92,671 |
| Contribution to Provident Funds | 2,02,987 | 2,89,047 |
| Gratuity | 2,67,796 | 73,505 |
| Staff Welfare Expenses | 26,234 | 6,703 |
| | 64,52,968 | 1,02,61,926 |

17 : Depreciation and Amortization Expense

| Particulars | For the Year ended March 31, 2019 (₹) | For the Year ended March 31, 2018 (₹) |
|-----------------------------------|--|--|
| Depreciation on Tangible assets | 70,801 | 1,86,662 |
| Amortization of Intangible assets | - | 83,459 |
| | 70,801 | 2,70,121 |

18 : Other Expenses

| Particulars | For the Year ended 31st March, 2019 | | For the Year ended 31st March, 2018 | |
|---|--|----------|--|----------|
| | (₹) | (₹) | (₹) | (₹) |
| Communication, Postage and Courier Charges | | 43,700 | | 91,240 |
| Fees and Stamps | | 3,072 | | 610 |
| Membership and Subscription | | 46,448 | | 20,075 |
| License Fees | | 63,880 | | 49,124 |
| Electricity Charges | | 1,75,833 | | 4,14,287 |
| Insurance | | 27,293 | | 51,930 |
| Repairs & Maintenance - Others | | 1,37,264 | | 2,36,987 |
| Advertisement and Business Promotion Expenses | | 1,26,629 | | 79,614 |
| Printing and Stationery | | 31,075 | | 43,924 |
| Travelling, Conveyance and Vehicle Expenses | | 4,00,672 | | 7,86,776 |
| Provision for Doubtful Debts | | - | | 1,69,987 |

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

| Particulars | For the Year ended 31st March, 2019 | | For the Year ended 31st March, 2018 | |
|---|--|------------------|--|------------------|
| | (₹) | (₹) | (₹) | (₹) |
| Bad Debts Written Off | 9,94,111 | | - | |
| Less:- Provision for Doubtful Debts Written Back | 20,434 | 9,73,677 | - | - |
| Legal and Professional Fees | | 5,94,068 | | 5,16,122 |
| Payment to Auditors | | | | |
| - As Auditors | | | | |
| Audit Fees | 66,000 | | 66,000 | |
| Tax Audit Fees | 25,000 | | 25,000 | |
| - In Other Capacity | | | | |
| Taxation Matters | 22,000 | | 25,500 | |
| Other Matters | 63,000 | 1,76,000 | 50,050 | 1,66,550 |
| Rent | | 3,24,396 | | 6,49,128 |
| Miscellaneous Expenses | | 1,16,409 | | 69,386 |
| Training and Development Expenses | | 1,200 | | 8,260 |
| Loss on Disposal/Discard of Property, Plant and Equipment | | - | | 4,115 |
| Total | | 32,41,616 | | 33,58,115 |

19. The Company has transferred its direct insurance broking business by entering into a Business Transfer Agreement dated 22nd March, 2019 for an aggregate consideration of ₹ 1,71,00,000/-. The same is comprising of following and shown as an Exceptional Item in the accompanying financial statements:

| Particulars | For the Year ended March 31, 2019 (₹) | For the Year ended March 31, 2018 (₹) |
|--|--|--|
| Non-Compete Fees Received on Transfer of Direct Insurance Broking Business | 7,100,000 | - |
| Consideration for Transfer of Direct Insurance Broking Business | 10,000,000 | - |
| | 17,100,000 | - |

20. Disclosure on retirement benefits as required in Accounting Standard 15 (AS – 15) on “Employee Benefits” is given below:

I. Defined Contribution Plan

Expenses recognized in Statement of Profit and Loss towards the Defined Contribution Plans are as under:

| Particulars | Year ended 31st March 2019 (₹) | Year ended 31st March 2018 (₹) |
|--------------------------------|-----------------------------------|-----------------------------------|
| Contribution to Provident Fund | 202,987 | 289,047 |
| Total | 202,987 | 289,047 |

II. Defined Benefit Plan

The details of the Company's post retirement benefit plan for gratuity for its employees in conformity with the principles set out in AS – 15 which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors are given below:

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

| Sr. No. | Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|------------|---|-------------------------------|-------------------------------|
| I | Changes in present value of obligations | | |
| | Present Value of Obligations at beginning of the period | 971,873 | 873,291 |
| | Interest Cost | 69,925 | 59,341 |
| | Current Service Cost | 5,580 | 140,008 |
| | Benefits Paid | (1,246,413) | - |
| | Actuarial (Gain)/Loss on obligations | 246,236 | (100,767) |
| | Present Value of Obligations at end of the period | 47,201 | 971,873 |
| II | Changes in fair value of plan assets | | |
| | Fair Value of Plan Assets at beginning of the period | 1,038,828 | 1,013,793 |
| | Expected return on Plan Assets | 77,856 | 70,915 |
| | Contributions | 214,979 | (42) |
| | Benefit Paid | (1,246,413) | - |
| | Actuarial Gain/(Loss) on plan assets | (23,911) | (45,838) |
| | Fair Value of Plan Assets at end of the period | 61,339 | 1,038,828 |
| III | Fair Value of Plan Assets | | |
| | Fair Value of Plan Assets at beginning of the period | 1,038,828 | 1,013,793 |
| | Actual Return on Plan Assets | 53,945 | 25,077 |
| | Contributions | 214,979 | (42) |
| | Benefits Paid | (1,246,413) | - |
| | Fair Value of Plan Assets at end of the period | 61,339 | 1,038,828 |
| | Funded Status | 14,138 | 66,955 |
| | Excess of actual over estimated return on Plan Assets | (23,911) | (45,838) |
| IV | Actuarial Gain/(Loss) Recognized | | |
| | Actuarial Gain/(Loss) for the period (Obligation) | (246,236) | 100,767 |
| | Actuarial Gain/(Loss) for the period (Plan Assets) | (23,911) | (45,838) |
| | Total Gain/(Loss) for the period | (270,147) | 54,929 |
| | Actuarial Gain / (Loss) recognized for the period | (270,147) | 54,929 |
| | Unrecognized Actuarial Gain (Loss) at end of the period | - | - |
| V | Amounts to be recognized in Balance Sheet and Statement of Profit & Loss | | |
| | Present Value of Obligations at end of the period | 47,201 | 971,873 |
| | Fair Value of Plan Assets at end of the period | 61,339 | 1,038,828 |
| | Funded Status | 14,138 | 66,955 |
| | Unrecognized Actuarial Gain/(Loss) | - | - |
| | Net Asset/(Liability) recognized in Balance Sheet | 14,138 | 66,955 |
| VI | Expenses recognized in the Statement of Profit & Loss | | |
| | Current Service Cost | 5,580 | 140,008 |
| | Interest Cost | 69,925 | 59,341 |
| | Expected Return on Plan Assets | (77,856) | (70,915) |

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

| Sr. No. | Particulars | As at 31st March, 2019 (₹) | As at 31st March, 2018 (₹) |
|-------------|--|-------------------------------|-------------------------------|
| | Net Actuarial (Gain)/Loss recognized for the period | 270,147 | (54,929) |
| | Expense recognized in Statement of Profit and Loss under "Employee Benefits Expense" | 267,796 | 73,505 |
| VII | Movement in the Liability recognized in Balance Sheet | | |
| | Opening Net Liability | (66,955) | (140,502) |
| | Adjustment to Opening Fair Value of Plan Assets | - | - |
| | Expenses as above | 267,796 | 73,505 |
| | Contributions Paid | (214,979) | (42) |
| | Closing Net Liability/(Assets) | (14,138) | (66,955) |
| VIII | Experience Analysis – Liabilities | | |
| | Actuarial (Gain)/Loss due to change in bases | 2,555 | 14,185 |
| | Experience (Gain)/Loss due to Change in Experience | 243,681 | (114,952) |
| | Total | 246,236 | (100,767) |
| | Experience Analysis – Plan Assets | | |
| | Experience (Gain)/Loss due to Change in Plan Assets | 23,911 | 45,838 |
| IX | Investment Pattern | | |
| | Insurer Managed Funds | 100% | 100% |
| X | Principal Assumptions | | |
| | Mortality | IALM(2006-08) Ult | IALM(2006-08) Ult |
| | Discount Rate | 6.90% | 7.20% |
| | Rate of increase in compensation | 9.00% | 8.00% |
| | Rate of return (expected) on plan assets | 7.50% | 7.50% |
| | Withdrawal rates | Upto Age 45: 25% | Upto Age 45: 30% |
| | | 46 & Above: 15% | 46 & Above: 15% |

21. Segment Reporting:

A. Primary Segment

The Company's Operations relating to "Direct Insurance Broking" falls under one reportable business segment namely "Advisory and Transactional Services" therefore primary business segment reporting as required by Accounting Standard 17 "Segment Reporting" is not applicable. The Company discontinued "Direct Insurance Broking" business from 22nd March, 2019.

B. Secondary Segment

The Company operates in India and hence there are no reportable Geographical Segments.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

22. Related Party Disclosures:

A. List of related parties (Where transactions have taken place)

| Sr. No. | Name of Related Party | Nature of Relationship |
|---------|--|---------------------------|
| 1. | Key Management Personnel/Individuals having control or significant influence | |
| | a) Krishna Kumar Karwa | Director |
| | b) Prakash Kacholia | Director |
| 2. | Holding Company Emkay Global Financial Services Limited | Holding Company |
| 3. | Fellow Subsidiary Emkay Investment Managers Limited | Fellow Subsidiary Company |

B. Transactions with related parties:

| Sr. No | Particulars | Holding Company | | Fellow Subsidiary | |
|-----------------------|--|-----------------|------------|-------------------|---------|
| | | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| | | (₹) | (₹) | (₹) | (₹) |
| I Others | | | | | |
| a) | Expenses Reimbursed | | | | |
| | - Emkay Global Financial Services Ltd. | 527,485 | 1,116,429 | - | - |
| d) | Payment on behalf of us | | | | |
| | - Emkay Investment Managers Ltd. | - | - | - | 2,000 |
| II Outstanding | | | | | |
| | Payable for Expenses | - | 192,078 | - | - |
| | Subscription to Equity Share Capital | | | | |
| | - Emkay Global Financial Services Ltd. | 41,000,000 | 41,000,000 | - | - |

(C) Related Parties are identified by Management and relied upon by the auditor.

(D) No balance in respect of related parties have been written off.

23. Disclosure for Operating Leases under Accounting Standard 19 – “Leases”

There were no operating leases as on March 31, 2019. The company is occupying part of premises taken on operating lease by its holding company to whom rent aggregating to ₹ 324,396/- (P.Y. ₹ 649,128/-) has been paid for the same.

24. Earnings per Share:

| | Particulars | Year ended 31st March, 2019 | Year ended 31st March, 2018 |
|----|---|-----------------------------|-----------------------------|
| a) | Net Profit/(Loss) after tax available for Equity Shareholders (₹) | 14,246,348 | (591,642) |
| b) | Weighted average number of Equity Shares of ₹10/- each outstanding during the period for Basic Earning (No. of Shares) | 4,100,000 | 4,100,000 |
| c) | Basic Earnings per Equity Share (₹) | 3.47 | (0.14) |
| d) | Weighted average number of Equity Shares of ₹10/- each outstanding during the period for Diluted Earnings (No. of Shares) | 4,100,000 | 4,100,000 |
| e) | Diluted Earnings per Equity Share (₹) | 3.47 | (0.14) |

NOTES TO FINANCIAL STATEMENTS

For the year ended 31st March, 2019

25. The provisions of section 135 of the Companies Act, 2013 pertaining to expenditure on Corporate Social Responsibility are not applicable to the Company.
26. Provision for taxation has been made considering the provisions of Section 115JB of the Income Tax Act, 1961.
27. Payment to auditors includes ₹ Nil (P.Y. ₹ 50/-) in other matters towards Swachh Bharat Cess.
28. Figures of the previous year have been regrouped, recasted and rearranged wherever necessary to make them comparable with the figures of the current year.
29. Other Additional Information required pursuant to Part II of Schedule III of the Companies Act, 2013 are not applicable to the Company.
30. Figures in brackets represents for previous year.
31. Figures have been rounded off to the nearest rupee.

As per our Report of even date
For **B. L. Sarda & Associates**
Chartered Accountants

(CA B. L. Sarda)
Partner
Membership No.014568

Place: Mumbai
Dated: 28th May, 2019

For and on behalf of the Board of
EMKAY WEALTH ADVISORY LIMITED
(Formerly Known as Emkay Insurance Brokers Ltd.)

Krishna Kumar Karwa
Director

Prakash Kacholia
Director

Place: Mumbai
Dated: 28th May, 2019

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Your success is our success

EMKAY WEALTH ADVISORY LIMITED

Registered Office: The Ruby, 7th Floor, Senapati Bapat Marg,
Dadar (West), Mumbai-400028

CIN- U74110MH2007PLC168496

ATTENDANCE SLIP

I hereby record my presence at the 12th Annual General Meeting of the Company held on Monday , the 12th August, 2019 at 5.00 p.m. at the Registered office of the Company i.e. The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028.

Folio No. DP ID No. Client ID No.....

Name of Member.....

Name of Proxyholder.....

No. of Share(s) Held:.....

Signature of Member/Proxy

Notes:

- (1) Members/Proxyholders are requested to produce the attendance slip duly signed for admission to the Meeting hall.
- (2) Members are requested to bring their copy of Annual Report for reference at the Meeting

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Your success is our success

EMKAY WEALTH ADVISORY LIMITED

CIN- U74110MH2007PLC168496

Registered Office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028

PROXY FORM

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014].

Name of the Member(s): _____

Registered Address: _____

E-mail ID: _____

Folio No./ Client ID: _____

DP ID: _____

I/We, being the member (s) of Emkay Insurance Brokers Limited holding _____ equity shares of the above named company, hereby appoint.

1. Name:

Address:

E-mail ID:

Signature:

or failing him

2. Name:

Address:

E-mail ID:

Signature:

or failing him

3. Name:

Address:

E-mail ID:

Signature:

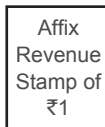
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual General Meeting of the Company, to be held on Monday the 12th day of August, 2019 at 5.00p.m. at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No. | Resolution |
|---------|---|
| 1 | To receive, consider and adopt the audited Balance Sheet of the Company for the year ended on 31st March, 2019 and the Profit & Loss Account for the year ended on that date and the report of the Directors and the Auditors thereon |
| 2 | To appoint a Director in place of Mr. R. K. Krishnamurthi (DIN: 00464622) who retires by rotation and being eligible offers himself for re-appointment. |
| 3 | To re- appoint M/s. B. L. Sarda & Associates, Chartered Accountants as the Statutory Auditor of the Company. |

Signed this _____ day of _____, 2019

Signature of the Shareholder: _____

Signature of the Proxy Holder(s): _____



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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Your success is our success

Emkay Wealth Advisory Limited

CIN: U74110MH2007PLC168496

Registered Office:

The Ruby, 7th Floor, Senapati Bapat Marg,
Dadar (West), Mumbai 400 028.

Tel: +91 22 66121212

