

# **J. H. & Co.**

## **CHARTERED ACCOUNTANTS**

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### **Independent Auditor's Report**

**To the Members of Berns Brett India Insurance Broking Private Limited**

**Report on the Audit of the Financial Statements**

### **Opinion**

1. We have audited the accompanying financial statements of Berns Brett India Insurance Broking Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and in the case of Profit and Loss Statement, of the profit and cash flows for the year ended on that date.

### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

### **Information other than the Financial Statements and Auditor's Report thereon**

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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



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## **Responsibilities of Management for the Financial Statements**

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



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- 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 with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
10. 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.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

13. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.



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14. This Audit Report include a statement in Annexure – A on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020 issued by the Government of India, Ministry of Corporate Affairs in terms of Sub-Section (11) of Section 143 of the Companies Act, 2013.
15. As required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
  - f) This report does not include Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls over financial reporting; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;



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iv.

- a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

**For J. H. & Co**

Chartered Accountants

ICAI Firm Registration No. 115320W



**Jatin L. Shah**

Partner

Membership No.: 046320

UDIN: 23046320 BGWUMD5121

Place: Mumbai

Date: September 01, 2023

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**Annexure – A to the Independent Auditors’ Report for the year ended March 31, 2023**  
[Referred to in Para 7 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date]

- (i) In respect of property, plant and equipment (PPE) and intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of PPE.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) All the PPE have been physically verified during the year by the management which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
  - (c) The Company does not own any immovable property under PPE. Therefore, Clause 3(i)(c) of the Order is not applicable to the Company.
  - (d) The Company has not revalued its PPE (including right of use assets) and intangible assets. Therefore, Clause 3(i)(d) of the Order is not applicable to the Company.
  - (e) No proceedings have been initiated or are pending against the Company as on March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
  - (a) The company is engaged in providing services primarily of insurance broking. Accordingly, it does not hold any physical inventories. Hence issue of verification and frequency of it does not arise. Accordingly, clause 3(ii)(a) of the Order is not applicable to the Company.
  - (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Therefore, Clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) During the year the Company has not made investments in, provided loans or advances in the nature of loans, secured or unsecured, or stood guarantee, or provided security to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.



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- (v) In our opinion and according to the explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposit. Therefore, the question of reporting compliance with directive issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder does not arise. We are informed that no order relating to the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) In our opinion and according to the explanations given to us, the Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Act. Thus, Para 3(vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of records of the company, in respect of amounts deducted / accrued in the books of accounts, the Company has been regular in depositing the undisputed statutory dues including income-tax, goods and service tax and any other statutory dues, as applicable to the Company, during the year with the appropriate authorities. There are no undisputed amounts payable in respect of the said statutory dues, outstanding as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) There is no disputed liability in respect of income tax or goods and service tax or duty of custom or cess (as applicable to the company) outstanding as at March 31, 2023. Therefore, our comment on disputed amounts which have not been deposited does not arise.
- (viii) According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the income tax assessment under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion, and according to the information and explanations given to us, the company has not taken any loan from financial institution or as debenture, so no question of repayment and default thereof and thus Clause 3(ix)(a), 3(ix)(b), 3(ix)(c) and 3(ix)(d) are not applicable to the Company.
- b) The Company does not have any subsidiaries, joint ventures or associate companies. Therefore, Clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable to the Company.



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- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, Clause 3(x)(a) of the Order is not applicable to the Company.
- b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally convertible) during the year. Therefore, Clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books of account and records of the company, carried out in accordance with generally accepted auditing practices in India and according to information and explanation given to us, we have neither noticed nor have been informed by the management, any incidence of fraud by the Company or on the Company.
- b) In view of our comments in clause (a) above, no report in under sub-section (12) of section 143 of the Act was required to be filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there has been no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi company. Therefore, Clause 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 sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us, provisions of section 138 of the Act with regards to formal internal audit system are not applicable to the Company. Therefore, Clause 3(xiv)(a) and 3(xiv)(b) of the Order are not applicable to the company.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the company has not entered into any non-cash transactions with directors or persons connected with the directors. Therefore, Clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the Clause 3(xvi)(a), 3(xvi)(b), and 3(xi)(c) of the Order are not applicable to the Company.



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- (d) According to the information and explanation given to us, there is no core investment within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the Financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) In our opinion and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the board of directors and management plans, and based on our examination of the evidence supporting the assumption, nothing has come to our attention, which causes us to believe that any material uncertainty exist as on the date of audit report indicating that the Company is not capable of meeting its liabilities existing as at the date of balance sheet as and when they fall due within a period of one year from the balance sheet. We however, state that this is not an assurance as to future viability of the Company. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanation given to us and on the basis of examination of records, the Company is not required to spend any money in Corporate Social Responsibility (CSR) in compliance with Section 135 of the said Act. Accordingly, reporting under Clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

**For J. H. & Co**

Chartered Accountants

ICAI Firm Registration No. 115320W



**Jatin L. Shah**

Partner

Membership No.: 046320

UDIN: 23046320 B6WUMD5121



Place: Mumbai

Date: September 01, 2023