86th Annual Report

2018 - 2019

IITL GROUP

Industrial Investment Trust Limited

ANNUAL GENERAL MEETING

Date
Saturday, September 21, 2019

Time
2.15 p.m.

Venue:
M.C. Ghia Hall, 4th floor,
Bhogilal Hargovindas Building,
18/20 K. Dubash Marg, Mumbai 400 001

CONTENTS

The Annual Report can be accessed at www.iitlgroup.com

INDUSTRIAL INVESTMENT TRUST LIMITED
CIN: L65990MH1933PLC001998

BOARD OF DIRECTORS	:	Dr. B. Samal	- Chairman
		Mr. Bipin Agarwal	
		Mr. Venkatesan Narayanan	
		Mr. Subhash Bhargava	- Upto December 31, 2018
		Mr. Deb Kumar Banerjee	- Nominee of LIC of India
		Ms. Sujata Chattopadhyay	
		Mr. Milind S. Desai	- Appointed w.e.f. February 12, 2019
		Ms. Cumi Banerjee	- CEO & Company Secretary
		Mr. Hemang Ladani	- Group CFO

BANKERS : Axis Bank Limited
Union Bank of India
HDFC Bank Limited

AUDITORS : Chaturvedi & Shah LLP
Chartered Accountants
(Registration No. 101720W / W100355)

REGISTRAR & SHARE TRANSFER AGENTS : Link Intime India Private Limited
C-101, 247 Park,
L. B. S. Marg,
Vikhroli (W),
Mumbai 400 083
Tel: 022 4918 6000 / 4918 6270 - Investor Cell
Email address: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

REGISTERED OFFICE : 14E, Rajabahadur Mansion, 2nd Floor,
28, Bombay Samachar Marg,
Fort, Mumbai 400 001
Tel: 022 43250100
Email address: iitl@iitlgroup.com
Website: www.iitlgroup.com

NOTICE is hereby given that the Eighty Sixth Annual General Meeting of the Members of **Industrial Investment Trust Limited will be held at M.C. Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001 on Saturday, September 21, 2019 at 2:15 p.m.** to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bipin Agarwal (DIN: 00001276), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. Re-appointment of Mr. Venkatesan Narayanan as an Independent Director

To consider, and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149(10) and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017 (the Act), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (SEBI Listing Regulations), Mr. Venkatesan Narayanan (DIN: 00765294), whose present term of office as an Independent Director was up to the 86th Annual General Meeting of the Company to be held in 2019 for the year ended March 31, 2019, and who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the SEBI Listing Regulations and is eligible for re-appointment, in respect of whom Notice has been received from a Member under Section 160 of the Act proposing his re-appointment as Director and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors be and is hereby re-appointed as an Independent Director of the Company, for a second term of five consecutive years with effect from the conclusion of this Annual General Meeting or adjournment, if any, thereof up to the 91st Annual General Meeting of the Company to be held in 2024 for the year ended March 31, 2024."

4. Appointment of Mr. Milind S. Desai as an Independent Director

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017 (the Act), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (SEBI Listing Regulations), Mr. Milind S. Desai (DIN: 00326235), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and who has given his consent for appointment as an Independent Director of the Company and has also submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and the SEBI Listing Regulations, and who is eligible for appointment, in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, signifying the intention to propose his candidature for the office of Director, and whose appointment has been recommended by the Nomination & Remuneration Committee and by the Board of Directors for consideration by the Members be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years with effect from the conclusion of this Annual General Meeting or adjournment, if any, thereof up to the 91st Annual General Meeting of the Company to be held in 2024 for the year ended March 31, 2024."

By Order of the Board of Directors
For Industrial Investment Trust Limited

Cumi Banerjee
CEO & Company Secretary

Mumbai: August 19, 2019

Registered Office :
14E, Rajabahadur Mansion, 2nd Floor,
28, Bombay Samachar Marg
Mumbai 400 001
CIN: L65990MH1933PLC001998
E-mail address: iitl@iitlgroup.com
Website: www.iitlgroup.com

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 14, 2019 to Saturday, September 21, 2019 (both days inclusive).

3. Members are requested to send all correspondences relating to shares including requests for transfer, change of address, change of status, change of mandate, Bank Account details to our Registrar and Share Transfer Agents: Link Intime India Private Limited having their office at C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083, Tel. No.: 4918 6000. In respect of shares held in dematerialised mode, the shareholders should inform their concerned Depository Participant only.

4. In all the correspondences with the Company / Registrar and Share Transfer Agents, the members holding in physical form are requested to quote their account / folio numbers and in case their shares are held in dematerialised form, they must quote their Client ID Number and DP ID Number.

5. Members are requested to bring the copy of their Annual Report and the Attendance Slip at the Annual General Meeting.

6. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.

7. Pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred on due date, the unpaid or unclaimed dividend amount for the financial year ended March 31, 2011 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on September 21, 2018 (date of the last Annual General Meeting) on the website of the Company viz. www.iitlgroup.com and the website of the Ministry of Corporate Affairs (www.mca.gov.in).

   The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Accordingly, the Company has transferred 10,745 Equity shares to IEPF account as per the requirements of the IEPF rules. The details are available on our weblink, at http://www.iitlgroup.com/newStatic/InvestorRelations.aspx.

   Members who have not encashed their dividend warrants for the year 2011-2012 or thereafter are requested to write to the Company / Registrars and Share Transfer agents. The Members whose dividend / shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority http://iepf.gov.in/IEPF/refund.html

8. In accordance with the amendments to Regulation 40 of the Listing Regulations, Securities and Exchange Board of India (SEBI) has revised the provisions relating to transfer of listed securities and has decided that requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited or Central Depository Services (India) Limited). This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, facilitate convenience and safety of transactions for investors.

   Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

9. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

11. A route map showing the directions to reach the venue of the 86th AGM is given on the cover page at the end of this Annual Report as per the requirements of the “Secretarial Standard – 2” on General Meetings.

12. E-Voting: In terms of and in compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 read with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its shareholders with facility to exercise their right to vote at the 86th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The Company has signed an agreement with CDSL for facilitating e-voting to enable the shareholders to cast their vote electronically.

A. The instructions for members for voting electronically:-

(i) The Members can cast their vote through remote e-voting facility provided by Central Depository Services (India) Limited (CDSL). Apart from providing remote e-voting facility, the Company is also providing facility for voting by Ballot at the AGM for all those members who shall be present at the AGM but have not casted their votes by availing the remote e-voting facility.

(ii) The remote e-voting period begins on Wednesday, September 18, 2019 (9.00 a.m.) and ends on Friday, September 20, 2019 (5.00 p.m.). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of September 14, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iv) Any person who becomes a Member of the Company after the date of the Notice of AGM and holding shares as on the cut-off date/entitlement date i.e. September 14, 2019, may obtain the User ID and Password by sending an email request to rnt.helpdesk@linkintime.co.in. Members may also call on 91-22-43250100 or send a request to The Company Secretary of the Company by writing to her at Industrial Investment Trust Limited, 14E, Rajabahadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai- 400001.

(v) The shareholders should log on to the e-voting website www.evotingindia.com

(vi) Click on “Shareholders” tab.

(vii) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 character DP ID followed by 8 digits client ID,

c. Members holding shares in physical form should enter folio number registered with the Company.

(viii) Next enter the Image Verification as displayed and Click on Login.

(ix) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(x) If Demat account holder has forgotten his/her existing password then enter the User ID and the image verification code and click on ‘Forgot Password’ and enter the details as prompted by the system.

(xi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter member id/folio number in the Dividend Bank details field as mentioned in instruction (v)

(xii) After entering these details appropriately, click on “SUBMIT” tab.

(xiii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xiv) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xv) Click on the EVSN for 'Industrial Investment Trust Limited'.

(xvi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.

(xvii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.

(xviii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xx) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xxi) After entering these details appropriately, click on 'SUBMIT' tab.

(xxii) Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/folio numbers on which they wish to vote.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.

(xxiii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

(xxiv) The Notice of the AGM for the Financial Year ended March 31, 2019 is available on Company's website www.iitlgroup.com and on the CDSL's website www.cdslindia.com.

B. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 14, 2019.

C. Ms. Chandanbala O. Mehta, Practising Company Secretary (Membership No. F6122) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

D. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

E. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.iitlgroup.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and The National Stock Exchange of India Limited, Mumbai.

F. The Facility for voting through poll shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting.

G. The Members who have casted their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

Details of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting

Name of the Director	**Mr. Bipin Agarwal**	**Mr. Venkatesan Narayanan**	**Mr. Milind S. Desai**
Director Identification Number	00001276	00765294	00326235
Age	53 years	64 years	57 years
Nationality	Indian	Indian	Indian
Date of Appointment	08.01.2008	18.05.2009	12.02.2019
Qualifications	B.Com. (Hons.), FCS	B.Com.	ACA, LL.B. (Gen.), B.Com.
Expertise in specific functional areas	He has vast and rich experience in the areas of Portfolio Management, Finance and matters related to Corporate Laws, Mergers and Acquisitions, Operations in Capital and Commodities Market.	He is a Commerce Graduate having over 32 years of Corporate experience, in senior positions. He presently does Business Consulting, and has experience in the Field of Infrastructure Projects consulting, especially Program Management; Relationship Management; Corporate Communications; Talent and Partner Spotting; Business Development and overseeing Compliance Management.	He has more than 3 decades of varied experience in the fields of Merchant Banking, Finance & Accounts, Taxation, Corporate Re-structuring, etc.
Terms & Conditions of Appointment/ Re-appointment	As per the resolution passed by the Shareholders of the Company on 83rd Annual General Meeting held on September 16, 2016, Mr. Bipin Agarwal has been appointed as a Non – Executive / Non Independent Director, liable to retire by rotation.	As per the resolution at item no. 3 of the Notice convening the ensuing 86th Annual General Meeting on September 21, 2019 read with explanatory statement thereto.	As per the resolution at item no. 4 of the Notice convening the ensuing 86th Annual General Meeting on September 21, 2019 read with explanatory statement thereto.
Remuneration last drawn (including sitting fees, if any)	₹ 3,60,000/- by way of sitting fees for attending Board / Committee Meetings	₹ 8,10,000/- by way of sitting fees for attending Board / Committee Meetings	₹ 1,80,000/- by way of sitting fees for attending Board / Committee Meetings
Remuneration proposed to be paid	₹ 30,000/- for every Board / Committee Meeting attended or any other amount decided by the Board from time to time in accordance with the provisions of Companies Act, 2013	₹ 30,000/- for every Board / Committee Meeting attended or any other amount decided by the Board from time to time in accordance with the provisions of Companies Act, 2013	₹ 30,000/- for every Board / Committee Meeting attended or any other amount decided by the Board from time to time in accordance with the provisions of Companies Act, 2013

Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of Board attended during the year	6	7	2
Directorships held in other companies (Excluding alternate directorship, foreign companies and companies under Section 8 of the Companies Act, 2013)	1. Nimbus India Limited 2. Nimbus Projects Limited 3. Nimbus Multi Commodity Brokers Limited 4. Nimbus Propmart Private Limited 5. N.N. Financial Services Private Limited 6. Urvashi Finvest Private Limited 7. Gupta Fincaps Private Limited 8. IITL Projects Limited 9. IIT Insurance Broking and Risk Management Private Limited 10. IIT Investrust Limited 11. Capital Infra Projects Private Limited 12. World Resorts Limited	1.IITL Projects Limited 2.IIT Investrust Limited 3. IIT Insurance Broking and Risk Management Private Limited 4. World Resorts Limited	1. IITL Projects Limited 2. IIT Investrust Limited
Committee position held in other companies (Membership and Chairmanship of Audit Committee and Stakeholders Relationship Committee have been included)	**Audit Committee** **Chairman -** 1. IIT Investrust Limited 2. IIT Insurance Broking and Risk Management Private Limited **Member -** 1. World Resorts Limited	**Audit Committee** **Chairman -** 1. World Resorts Limited **Member -** 1. IITL Projects Limited 2. IIT Investrust Limited 3. IIT Insurance Broking and Risk Management Private Limited **Stakeholders Relationship Committee** **Chairman –** 1. IITL Projects Limited	**Audit Committee** **Chairman -** 1. IITL Projects Limited **Member -** 1. IIT Investrust Limited **Stakeholders Relationship Committee** **Member -** 1. IITL Projects Limited
No. of shares held in the company	25,000	NIL	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, RELATING TO THE SPECIAL BUSINESS UNDER ITEM NOS. 3 TO 4 OF THE ACCOMPANYING NOTICE DATED AUGUST 19, 2019

Item No.3

As per the provisions of Sections 149, 152 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Mr. Venkatesan Narayanan as an Independent Director at the Annual General Meeting held on August 30, 2014 for a term of five consecutive years with effect from August 30, 2014 up to the 86th Annual General Meeting of the Company to be held in 2019 for the year ended March 31, 2019. As Mr. Venkatesan Narayanan, Independent Director shall be completing his first term of appointment upon completion of five years at the ensuing Annual General Meeting, he is eligible for re-appointment for another term of five consecutive years subject to approval of the Members by Special Resolution. Mr. Venkatesan Narayanan have consented to his re-appointment and confirmed that he does not suffer from any disqualifications which stand in the way of his re-appointment as an Independent Director.

The performance evaluation of the Independent Director was conducted by the entire Board of Directors (excluding the Director being evaluated) on the basis of a structured questionnaire which was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning viz. adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

Accordingly, the Nomination & Remuneration Committee and the Board of Directors of the Company at their respective Meetings held on August 19, 2019, have recommended the re-appointment of Mr. Venkatesan Narayanan as an Independent Director for a second term of five consecutive years commencing from the date of the ensuing Annual General Meeting i.e. September 21, 2019. During his tenure of appointment, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received declaration from him confirming that he meets the criteria of independence as prescribed under sub-section 6 of Section 149 of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). In the opinion of the Board, he fulfills the conditions for re-appointment as an Independent Director and he is independent of the management.

The brief profile of Mr. Venkatesan Narayanan is given hereunder:

He is a Commerce Graduate having over 32 years of Corporate experience, in senior positions. He presently does Business Consulting, and has experience in the Field of Infrastructure Projects consulting, especially Program Management; Relationship Management; Corporate Communications; Talent and Partner Spotting; Business Development and overseeing Compliance Management

The Company has also received notice from a Member under Section 160 of the Companies Act, 2013 (the Act) proposing his re-appointment as Director.

A copy of the draft letter for re-appointment of the Independent Director setting out the terms and conditions of his re-appointment is available for inspection by the Members at the Registered Office of the Company during the office hours on all working days except Saturdays, during business hours up to the date of the Meeting.

The Board recommends the Resolution as set out in Item No. 3 of the Notice for approval of the Members.

Except Mr. Venkatesan Narayanan, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in passing of the said resolution.

Item No.4

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the "Act") and the Articles of Association of the Company, Mr. Milind S. Desai as an Additional Director of the Company with effect from February 12, 2019.

In terms of the provisions of Section 161(1) of the Act, Mr. Milind S. Desai would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Mr. Milind S. Desai for the office of Director of the Company.

Mr. Milind S. Desai is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Section 149 of the Act inter alia stipulates the criteria of independence. As per the said Section, an independent Director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he / she shall not be included in the total number of directors for retirement by rotation.

Mr. Milind S. Desai has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act. He also meets the criteria for independence as provided under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and he is independent of the management.

The Nomination & Remuneration Committee at its meeting held on February 12, 2019 recommended the appointment of Mr. Milind S. Desai as an Independent Director with effect from the forthcoming Annual General Meeting up to the 91st Annual General Meeting of the Company to be held in the year 2024 for the year ended March 31, 2024.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Milind S. Desai as an Independent Director is now being placed before the Members in General Meeting for their approval.

The brief profile of Mr. Milind S. Desai is given hereunder:

Mr. Milind S.Desai has more than 3 decades of varied experience in the fields of Merchant Banking, Finance & Accounts, Taxation, Corporate Re-structuring, etc.

In July 2001, he moved out from Tata Finance Merchant Bankers Ltd. as a CEO and started his own consultancy mainly in Corporate Advisory. His client list includes corporates from Chemical industry, Pharma industry, Auto Dealership, Auto Ancillary industry including Body Building etc. He has been instrumental in bringing growth strategies for them. He has benefited his clients in Mergers & Acquisition proposals with his inputs on valuations and negotiation skills.

His negotiation skills along with other important Leadership qualities are exemplary. He has been a faculty member of the Institute of Chartered Accountants of India (ICAI) and has given lectures on Project Financing and innovative instruments. He has also co-authored the book on Project Financing, which is a publication of the ICAI.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company that Mr. Milind S. Desai is appointed as an Independent Director of the Company.

A copy of the draft letter for appointment of the Independent Director setting out the terms and conditions of his appointment is available for inspection by the Members at the Registered Office of the Company during the office hours on all working days except Saturdays, during business hours up to the date of the Meeting.

The Board recommends the resolution as set out in the Item No.4 of accompanying notice for the approval of Members of the Company as an Ordinary Resolution.

Except Mr. Milind S. Desai, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in passing of the said resolution.

By Order of the Board of Directors
For Industrial Investment Trust Limited

Cumi Banerjee
CEO & Company Secretary

Mumbai: August 19, 2019

Registered Office :
14E, Rajabahadur Mansion, 2nd Floor,
28, Bombay Samachar Marg
Mumbai 400 001
CIN: L65990MH1933PLC001998
E-mail address: iitl@iitlgroup.com
Website: www.iitlgroup.com

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Eighty Sixth Annual Report of the Company, together with the Audited Statements of Accounts for the year ended March 31, 2019.

Financial Performance

The summarized standalone and consolidated results of your Company and its subsidiaries are given in the table below.

₹ in '000

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
Total Income	261,229.22	225,490.31	233,566.97	93,462.14
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	(440,269.33)	(286,521.75)	(13,449.38)	(343,821.36)
Finance Charges	-	6.60	683.76	2,277.17
Depreciation	597.53	624.85	694.34	5,427.75
Exceptional Items	-	-	-	96,078.14
Provision for Tax (including for earlier years) / Deferred Tax	(98.15)	(28,949.82)	2,807.74	(29,200.79)
Net Profit/(Loss) After Tax	(440,768.71)	(258,203.38)	(17,635.22)	(418,403.63)
Other comprehensive income for the year	(183.37)	(1,083.71)	(132.70)	(1,118.84)
Total Comprehensive income for the year	(440,585.34)	(257,119.67)	(17,502.52)	(417,284.79)
Profit/(Loss) brought forward from previous year	54,738.31	311,857.98	(1,041,839.05)*	(171,130.21)
Share in Profit / (Loss) for Associate for the year	-	-	(444,763.38)	(428,754.10)
Share in Profit / (Loss) Attributable to Minority interest	-	-	-	5,370.26
Profit / (Loss) carried to Balance Sheet	(385,847.03)	54,738.31	(1,504,104.95)	(1,011,798.84)
From this, the Directors have transferred to:				
Special Reserve	-	-	-	-
General Reserve	-	-	-	-
Capital Redemption Reserve	-	-	-	-
Leaving a balance to be carried forward	(385,847.03)	54,738.31	(1,504,104.95)	(1,011,798.84)

* includes impact on new Indian Accounting Standard application.

Previous year figures have been regrouped / rearranged wherever necessary.

The Company alongwith its subsidiaries, associates and joint ventures have adopted the Indian Accounting Standards (Ind AS) for FY 2018-2019. This involves giving Ind AS compliant comparatives for FY 2017-2018 and as at April 01, 2017 — being the date of transition. Accordingly, figures for previous years / periods, have been recast as per the new accounting standards.

Results of operations and state of Company's affairs

During the year, the Company has incurred pre-tax Loss of ₹ 4408.67 lakhs as compared to pre-tax loss of ₹ 2871.53 lakhs in the previous year. The Revenue from operations during the year was ₹ 2611.77 lakhs compared to ₹ 2239.03 lakhs in the previous year. The increase in Income is on account of reversal of NPA due to recovery of loans. The Company has provided loss on fair value changes of ₹ 5612.36 lakhs in the current year and an impairment on financial instruments of ₹ 1010.59 lakhs during the year compared to ₹ 4105.54 lakhs in the previous year.

The Reserve Bank of India (RBI) vide its Letter dated June 25, 2018 has prohibited the Company from expanding its credit /investment portfolio other than investment in Government Securities till Net NPAs are brought down to below 5%. The Company submits its action plan to RBI on the position of NPAs and recoveries from time to time.

Business Overview

The Company is registered with Reserve Bank of India (RBI) as a Non-Deposit taking Non- Banking Financial Company (NBFC). It is a 'Systemically Important Non-Deposit taking NBFC. It is primarily a Holding Company, holding investments in its subsidiaries and other group Companies and joint ventures. The activities of the Company comprises of Investment in equity shares quoted as well as unquoted, units of mutual funds, Fixed deposits with renowned Banks, Inter-Corporate Deposits and Loans to its Group Companies / entities. The Committee of Investments / Loans and Risk Management is entrusted with the power to make investments and grant loans and the Board of Directors is apprised of the investments of the Company and monitors the deployment of resources on regular basis.

The details of the Company's investments and analysis of securities held are given in Note 7 to the Balance Sheet as on March 31, 2019. The loans to subsidiaries and other entities within the group and interest income are disclosed in Note 6 and Note 23 to the Balance Sheet and Statement of Profit and Loss respectively as on March 31, 2019.

Material changes and commitments occurred after the close of the year till date of this report which affects the financial position of the Company

There were no material changes and commitments occurred after the close of the year till date of this report which affects the financial position of the Company.

Dividend

In view of losses incurred by the Company, your Directors have not recommended any dividend for the financial year 2018-2019.

Management Discussion and Analysis

Management Discussion and Analysis comprising an overview of the financial results, operations / performance and the future prospects of the Company form part of this Annual Report.

Change in Capital Structure

During the year, the Company has not issued any shares or convertible securities. The Company does not have any Scheme for issue of shares including sweat equity to the employees or Directors of the Company.

As on March 31, 2019, the issued, subscribed and paid up share capital of your Company stood at ₹ 22,54,75,500/-, comprising 2,25,47,550 Equity Shares of ₹ 10/- each.

Extract of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is appended as **Annexure 1**.

Additionally, the Annual Return of the Company has been placed on the website of the Company and can be accessed at http://www.iitlgroup.com/newStatic/Reports/Annual_Return.pdf

Compliance with Secretarial Standards

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board and its Committees which have mandatory application.

Consolidated Accounts

The Consolidated Financial Statements of your Company for the financial year 2018-19, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and the Listing Regulations. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company, its subsidiaries, associate and joint venture companies, as approved by their respective Board of Directors.

Subsidiary, Associate and Joint Ventures Companies

Pursuant to sub-section (3) of Section 129 of the Act, the statement containing the salient features of the financial statement of company's subsidiaries, associate and joint venture Companies is given as **Annexure 2**.

Brief particulars about the business of each of the Subsidiaries and Joint Venture / Associate Companies is given hereunder:-

Subsidiary Companies:

a. IIT Investrust Limited (IITIL)

IITIL is into Stock Broking and Depository facilities. Besides that, IITIL also provides Advisory and Consultancy services to various Body Corporates.

In June' 2019, IITIL has made application to BSE Limited and National Stock Exchange of India Limited for voluntary closure of Stock Broking business and surrender of membership with the Exchanges.

The total income of the Company for the year ended on March 31, 2019 is ₹ 114.30 lakhs as compared to ₹ 113.76 lakhs in the previous year. This has resulted in pre-tax profit of ₹ 81.97 lakhs for the year as against the pre-tax profit of ₹ 73.59 lakhs for the preceding year.

b. IITL Projects Limited – (IITLPL)

IITLPL is listed on BSE Limited.

IITLPL is engaged in Real Estate business, construction of residential complex in the National Capital Region (NCR). It has acquired a plot of land on long term lease, under Builders Residential Scheme (BRS) of the Greater Noida Industrial Development Authority (GNIDA).

Apart from constructing its own project, IITLPL is also engaged in construction of residential flats through Special Purpose Vehicles (SPVs) and these SPVs have been allotted plots of land on long term lease, under Builders Residential Scheme (BRS) of the New Okhala Industrial Development Authority (NOIDA) and Yamuna Expressway Authority (YEA). The total lease hold area allotted to the Company alongwith SPVs is around 2,65,000 sq. meters and the projects are under various stages of construction.

Project developed by the Company:

Express Park View I: This project is completed and the flats are being allotted to the buyers.

Projects being developed by the Company jointly with SPVs:

1) The Hyde Park
2) The Golden Palms
3) Express Park View-II: The firm has made an application for partial surrender of project land as provided under Project Settlement Policy (PSP) and the same has been accepted by Greater Noida Industrial Development Authority (GNIDA) which would be processed as per the terms and conditions of PSP.
4) The Golden Palm Village: The firm has made an application under Project Settlement Policy (PSP) to Yamuna Expressway Industrial Development Authority (YEIDA) for partial surrender of project land, which is principally accepted by YEIDA and the application is under process with them for final disposal and has also temporarily suspended the operations due to subdued market conditions. No communication has been received from the Authority till date.

   The total Income of IITLPL for the year ended on March 31, 2019 is ₹ 103.30 lakhs as compared to previous year which was ₹ 411.96 lakhs on account of slowdown in real estate market besides substantial other income recognised in the previous year.

   On consolidation basis, the income of the Company declined to ₹ 73.30 lakhs as compared to ₹ 381.96 lakhs in the previous year and loss accounted to ₹ 1,548.41 lakhs in the current year as compared to ₹ 1,180.22 lakhs in the previous year. Total comprehensive income for the F.Y. 2018-19 is negative ₹ 1547.88 lakhs as compared to negative ₹ 1179.61 lakhs in the previous year.

c. IIT Insurance Broking and Risk Management Private Limited (IIT Insurance)

IIT Insurance had filed an application with Insurance Regulatory and Development Authority of India (IRDAI) for renewal of the Direct Broker License for Category (Life and Non-Life) in September 2018.

IRDAI vide its Letter dated November 27, 2018 granted Renewal of Direct Insurance Brokers License under Certificate of Renewal of License No. 398 for a period of three years with effect from October 20, 2018 to October 19, 2021.

The total number of operational offices at the year end stood at 2.

The Company's revenue of operations for the financial year ended March 31, 2019 was ₹34.76 lakhs as compared to the revenue of ₹39.89 lakhs during the previous year. The Company incurred a net loss of ₹27.34 lakhs as against the net loss of ₹115.00 lakhs during the previous year.

d. IITL Corporate Insurance Services Private Limited (ICISPL)

In January 2014, the Company had incorporated a wholly owned subsidiary viz. IITL Corporate Insurance Services Private Limited (ICISPL) for undertaking the business of corporate agency (for category Life) of Future Generali India Life Insurance Company Limited (FGILICL).

However, subsequent to withdrawal of application for undertaking Corporate Agency business (Category: Life), ICISPL has not commenced any business till date.

The Company had a gross income of ₹0.42 lakhs for the financial year ended March 31, 2019 from Interest on Fixed Deposits and Loans compared to ₹0.37 lakhs in the previous year. The Company's net loss before tax is ₹5.15 lakhs during the financial year (Previous year ₹1.60 lakhs).

Joint Venture / Associate Companies:

a. Future Generali India Life Insurance Company Limited (FGILICL), a Joint Venture:

In the year 2013, the Company had made an investment of ₹ 340 Crores in Future Generali India Life Insurance Company Limited to acquire 22.5% of its equity capital. Subsequent to the acquisition, FGILICL is a joint venture of the Company.

Between August 2016 to June 2019, FGILICL has made nine Rights Issues. The Company did not subscribe in any of the Rights Issues. Subsequent to Rights Issues, the Company's equity stake reduced from 22.50% to 17.73% as on March 31, 2019 and further reduced to 17.31% in June 2019.

b. World Resorts Limited (WRL), an Associate Company:

WRL is into the business of hospitality and owns and operates a Deluxe Five Star Resort by the name "Golden Palms Hotel & Spa", Off. Tumkur Road, Bangalore.

MRG Hotels Private Limited, a wholly owned subsidiary company has been amalgamated with its Holding Company, World Resorts Limited vide Order dated 07.02.2019 issued by the Regional Director (South East Region), Ministry of Corporate Affairs, w.e.f. April 01, 2018.

Internal financial controls and their adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

M/s Sheetal Patankar & Co., Chartered Accountants, a consulting/audit firm were appointed for determining the adequacy and operating effectiveness of the existing Internal Financial Controls over Financial Reporting of the Company on behalf of the management.

They have observed that there are no material weaknesses in the financial controls of the Company. Based on the above, management believes that adequate internal financial controls exist in relation to its Financial Statements.

Directors and Key Managerial Personnel

Appointment

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on February 12, 2019 had appointed Mr. Milind S. Desai as an Additional Director in the category of Independent Director with effect from February 12, 2019. We seek your confirmation for appointment of Mr. Milind S. Desai as an Independent Director for a term upto five consecutive years with effect from September 21, 2019 up to the 91st Annual General Meeting of the Company to be held in 2024 for the year ended March 31, 2024.

Mr. Venkatesan Narayanan upon completion of his first term of appointment for five years as Independent Director is eligible for re-appointment for another term of five consecutive years subject to approval of the Members by special resolution. Mr. Venkatesan Narayanan has given his consent for re-appointment and have confirmed that he still retains his status as an Independent Director and that he does not suffer from any disqualifications for appointment. The proposal for his re-appointment is based on the evaluation of his performance carried out by the Board other than the Director being evaluated.

The Company has received Notice in writing from Members under Section 160 of the Act proposing the candidature of Mr. Venkatesan Narayanan and Mr. Milind S. Desai for the office of Independent Directors of the Company.

Retiring by Rotation

In accordance with the Articles of Association of the Company, Mr. Bipin Agarwal, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Familiarisation Programme

The Company conducts suitable familiarisation programme for Independent Directors so as to associate themselves with the nature of the industry in which the Company operates and business model of the Company in addition to regular presentations on financial statements and other relevant data. In addition to the above, Directors are periodically advised about the changes effected in the Corporate Law, Listing regulations and RBI regulations with regard to their roles, rights and responsibilities as Directors of the Company.

The details of the familiarisation programme have been disclosed and updated from time to time on the Company's website and its weblink is http://www.iitlgroup.com/newStatic/AboutUs.aspx.

Meetings of the Board

Seven meetings of the Board of Directors were held during the year. For further details, please refer Report on Corporate Governance.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief, make following statements that:

(a) In preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

(b) Such accounting policies have been selected 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 as at March 31, 2019 and loss of the Company for the year ended on that date;

(c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The annual accounts have been prepared on a going concern basis;

(e) The proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively;

(f) The systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Corporate Governance

Your Company has been practicing the principles of good Corporate Governance over the years and it is a continuous and ongoing process. A detailed Report on Corporate Governance practices followed by your Company as prescribed by SEBI in Chapter IV read with Schedule V of Listing Regulations together with a Certificate from M/s Chandanbala Jain & Associates, Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance are provided separately in this Annual Report.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company, confirming that, they meet the criteria of independence as prescribed both under Section 149(7) of the Companies Act, 2013 and Regulation 16(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Policy on appointment and remuneration for Directors, Key Managerial Personnel and senior management employees

The Board of the Directors has framed the policy which lays down a framework in relation to Remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The Nomination and Remuneration Policy is uploaded on the Company's weblink viz. http://www.iitlgroup.com/newStatic/Nomination_Remuneration_Policy.pdf.

Related Party Transactions

The Company has laid down a Related Party Transaction (RPT) Policy for purpose of identification and monitoring of such transactions. The policy on Related Party Transaction as approved by the Board is uploaded on the Company's weblink viz. http://www.iitlgroup.com/newStatic/Related_Party_Transaction_Policy.pdf.

All Related Party Transactions are placed before the Audit Committee and also the Members / Board for their approval, wherever necessary.

The details of the related party transactions as per Indian Accounting Standard 24 are set out in Note 40 to the Standalone Financial Statements forming part of this report.

All RPTs entered during the financial year by the Company are in ordinary course of business and on an arms' length basis. Particulars of material contracts or arrangements made with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure 3** to the Directors' Report.

Corporate Social Responsibility (CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy is disclosed on the Company's website http://www.iitlgroup.com/newStatic/Corporate_Social_Responsibility_Policy.pdf.

As part of CSR initiative, your Company during the financial year 2018-2019 made total contribution of ₹ 2,00,000/-, which was given to Tara Sansthan, an oldage home rendering services to widows, helpless aged people, for eye-ailments and cataract surgery, supply of ration package to the aged people every month as prescribed under Schedule VII of the Companies Act, 2013.

The report on CSR activities is attached as **Annexure 4** to this Report.

Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Chandanbala Jain & Associates, Practicing Company Secretaries (CP No. 6400), to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as **Annexure 5** and forms an integral part of this report.

Annual Secretarial Compliance Report

M/s. Chandanbala Jain & Associates, Practicing Company Secretaries (CP No. 6400) have submitted Annual Secretarial Compliance Report for the financial year 2018-19 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars / Guidelines issued thereunder and the same was submitted to stock exchanges within 60 days of the end of the financial year.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

The provisions of Section 186 of the Act pertaining to investment and lending activities is not applicable to the Company, since the Company is a Non-Banking Financial Company whose principal business is acquisition of securities.

Details of guarantees and/or security in connection with loans to other bodies corporates or persons as covered under the provisions of Section 186 of the Act, are given in the Notes to the Financial Statements.

Capital Adequacy Ratio

Your Company's Capital to Risk Assets Ratio (CRAR) calculated in line with Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("RBI Directions") stood at 73.47% above the regulatory minimum of 15%. Your Company's asset size is ₹ 461.90 crores. The Company has received a certificate from the Auditors of the Company, M/s. Chaturvedi & Shah LLP, Chartered Accountants, pursuant to Non-Banking Financial Companies Auditors' Report (Reserve Bank of India) Directions, 2008 confirming compliance of the conditions with respect to Systemically Important Non-Deposit taking Non-Banking Financial Companies.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(A) **Conservation of energy:** Not Applicable

(B) **Technology absorption:** Not Applicable

(C) **Foreign exchange earnings and Outgo:** During the year under review, the Company did not earn any foreign exchange. Expenditure in foreign currency equivalent to ₹ 2,42,060/- was incurred towards business purpose.

Risk Management

The Company has formulated a Risk Management Policy. The Company through the Committee for Investments / Loans and Risk Management identifies, evaluates, analyses and prioritise risks in order to address and minimize such risks. This facilitates identifying high level risks and implement appropriate solutions for minimizing the impact of such risks on the business of the Company. The Committee submits its recommendations and comments for Board's review and necessary action.

Vigil Mechanism / Whistle Blower Policy

The Company has a Vigil Mechanism / Whistle Blower Policy to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct. The details of the Vigil Mechanism policy have been provided in the Corporate Governance Report and also disclosed on the website of the Company viz http://www.iitlgroup.com/newStatic/Vigil_Mechanism_Whistle_Blower_Policy.pdf.

Evaluation of the Board, its Committees and individual Directors

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for evaluating the performance of Directors, Committees of the Board and the Board as a whole.

The process for evaluation of the performance of the Director(s) / Board / Committees of the Board for the financial year 2018-2019 was initiated by the Nomination and Remuneration Committee, by sending out questionnaires designed for the performance evaluation of the Directors, Committees, Chairman and the Board as a whole. The Committee also forwarded their inputs to the Board for carrying out the Performance Evaluation process effectively.

In terms of provisions of Companies Act, 2013 and Schedule II - Part D of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out the annual performance evaluation of its own including the various Committees and individual Directors with a detailed questionnaire covering various aspects of the Boards functioning like, composition of Board and its Committees, Board culture, performance of specific duties and obligations.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated. Based on the feedback received from the Independent Directors and taking into account the views of Executive Directors and the Non-Executive Directors, the Board evaluated its performance on various parameters such as composition of Board and its committees, experience and competencies, performance of duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues, effectiveness of flow of information.

Auditors and Auditors' Report

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, M/s. Chaturvedi & Shah, Chartered Accountants (Now known as M/s Chaturvedi & Shah

LLP), registered with the Institute of Chartered Accountants of India under Firm registration No. 101720W / W100355, have been appointed as the Statutory Auditors of the Company for a term of five years starting from the conclusion of 84th Annual General Meeting held on September 23, 2017 till the conclusion of the 89th Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment by the members at every AGM held after this AGM).

As per the amended provisions of the Companies Act, 2017 notified on 07.05.2018, Company is not required to ratify the appointment of auditors at every Annual General Meeting, therefore, it is not proposed to ratify the appointment of auditors at the ensuing Annual General Meeting.

M/s. Chaturvedi & Shah LLP, Chartered Accountants, have carried out Statutory Audit and the Notes on financial statement referred to in the Auditors' Report issued by them are self-explanatory and hence do not call for any further comments under Section 134 of the Act. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Significant and material orders passed by the regulators

During the period under review, there were no significant and material orders passed by the regulators/ courts or tribunals that would impact going concern status of the Company and its future operations.

Transfer of Unclaimed Dividend amounts to Investor Education and Protection Fund

In terms of Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, a sum of ₹5,80,167/- lying with the Company as unclaimed dividend for the year 2010 - 2011 i.e. for a period of seven years from the date they became due for payment, were transferred during the period under review to the Investor Education and Protection Fund.

Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. September 21, 2018), with the Ministry of Corporate Affairs.

Transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Account on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more

According to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred 10,745 Equity shares to IEPF account as per the requirements of the IEPF rules. The details are available on our website, at http://www.iitlgroup.com/newStatic/Reports/Equity-shares-of-last-seven-years-transferred-to-IEPF-on-or-before-November-01-2018.pdf

Particulars of Employees and related disclosures

A) Details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S. No.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2018-19 (in ₹)	% increase in Remuneration in the financial year 2018-19	Ratio of remuneration of each Director / to median remuneration of employees
1	Dr. B. Samal, Executive Chairman	55,32,000	0%	11.65
2	Mr. Bipin Agarwal, Non Executive Director	3,60,000 (Sitting fees)	20%	0.76
3	Mr. Venkatesan Narayanan, Independent Director	8,10,000 (Sitting fees)	17%	1.71
4	Mr. Deb Kumar Banerjee (LIC Nominee), Non Executive Director	3,90,000 (Sitting fees)	(13%)	0.82
5	Ms. Sujata Chattopadyay	2,10,000 (Sitting fees)	Not Applicable	0.44
6	Mr. Milind S. Desai @	1,80,000 (Sitting fees)	Not Applicable	0.38
7	Mr. Subhash Bhargava, Independent Director $	4,80,000 (Sitting fees)	Not Applicable	1.01
8	Ms. Cumi Banerjee, Chief Executive Officer & Company Secretary	33,51,000	2%	Not Applicable
9	Mr. Hemang Ladani #	10,84,300	Not Applicable	Not Applicable

$ Mr. Subhash Bhargava resigned as Director w.e.f. 31.12.2018

@ Ms. Milind S. Desai was appointed as Additional Director w.e.f. 12.02.2019

Mr. Hemang Ladani was appointed as Group Chief Financial Officer by Board w.e.f. 20.04.2018

Note: The remuneration to Directors includes sitting fees paid to them for the financial year 2018-19.

Notes:-

i) Median remuneration of employees of the Company during the financial year 2018-2019 was ₹ 4,74,933/-.

ii) Median remuneration of employees of the Company during the financial year 2017-2018 was ₹ 4,16,776/-. In the financial year, there was an increase of 13.95% in the median remuneration of employees.

iii) There were 11 confirmed employees on the rolls of the Company as on March 31, 2019.

iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 0.06% whereas the increase in the managerial remuneration for the same financial year was 0.58%. (This excludes the salaries of the newly joined and resigned employees during the same financial year).

v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

B) Details of every employee of the Company as required pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

During the year under consideration, none of the employees of the company was in receipt of remuneration in excess of limits prescribed under clause 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence particulars as required under 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have not been provided.

GENERAL

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme
3. Details relating to deposits covered under Chapter V of the Act.
4. The provisions of section 148 of the Act are not applicable to the Company. Accordingly, there is no requirement of maintenance of cost records as specified under section 148(1) of the Act.
5. No fraud has been reported by the Auditors to the Audit Committee or the Board.
6. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

Public Deposits

During the year under review, the Company has not accepted any deposits from the public.

Disclosures under Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, Internal Complaints Committee (ICC) has been set up to redress complaints. ICC has not received any complaints during the financial year 2018-19.

Acknowledgement

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors thank the bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments and other statutory authorities / regulators for their continued support.

For and on behalf of the Board
Industrial Investment Trust Limited

Dr. B. Samal
Chairman
(DIN: 00007256)

Date : August 19, 2019
Place : Mumbai

Annexure 1

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2019 of
INDUSTRIAL INVESTMENT TRUST LIMITED

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L65990MH1933PLC001998
ii)	Registration Date:	10.08.1933
iii)	Name of the Company	INDUSTRIAL INVESTMENT TRUST LIMITED
iv)	Category/ Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	Rajabahadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001 Maharashtra. Tel: 022-43250100; Fax: 022-22651105 Email: iitl@iitlgroup.com
vi)	Whether shares listed on recognized Stock Exchange(s) - Yes / No	Yes - BSE Limited and National Stock Exchange of India Limited
vii)	Name, Address and contact details of Registrar and Tranfer Agent, if any	Link Intime India Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli (W), Mumbai 400083. Tel: 022-4918 6000 Email: mt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
1	Interest Income on Loans and Fixed Deposits with Banks	64990	67.33

III. PARTICULARS OF HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES -

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	Holding / Subsidiary / Associate / JV	% of shares held	Applicable section
1	**IITL PROJECTS LIMITED** Rajabahadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	L01110MH1994PLC082421	Subsidiary	71.74	2(87)
2	**IIT INSURANCE BROKING AND RISK MANAGEMENT PRIVATE LIMITED** Rajabahadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	U67190MH2008PTC187076	Subsidiary	100.00	2(87)
3	**IIT INVESTRUST LIMITED** Rajabahadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	U67190MH1992PLC070247	Subsidiary	99.00	2(87)

4	**IITL CORPORATE INSURANCE SERVICES PRIVATE LIMITED** Rajabahadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	U66000MH2014PTC252349	Subsidiary	100.00	2(87)
5	**WORLD RESORTS LIMITED** 31/32, Nagrur, Dasanpura Hobli, Off. Tumkur Road, Bangalore 562123	U85110KA1995PLC017694	Associate	25.00	2(6)
6	**FUTURE GENERALI INDIA LIFE INSURANCE COMPANY LIMITED** Indiabulls Finance Centre, Tower 3, 6th Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013	U66010MH2006PLC165288	Joint Venture	17.73*	2(6)

* 17.73 % as on March 31, 2019 and 17.31% as on June 2019

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	50000	0	50000	0.22	50000	0	50000	0.22	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	9382067	0	9382067	41.61	9382067	0	9382067	41.61	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub- total (A) (1)	**9432067**	**0**	**9432067**	**41.83**	**9432067**	**0**	**9432067**	**41.83**	**0.00**
2. Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Body Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other…	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Shreholding of Promoter (A)=(A)(1)+(A)(2)	**9432067**	**0**	**9432067**	**41.83**	**9432067**	**0**	**9432067**	**41.83**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	35700	34280	69980	0.31	35700	34280	69980	0.31	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	37200	37200	0.17	9196	37200	46396	0.21	+0.04
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	1191998	250	1192248	5.29	1191998	250	1192248	5.29	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	**1227698**	**71730**	**1299428**	**5.77**	**1236894**	**71730**	**1308624**	**5.81**	**+0.04**

2. Non- Institutions									
a) Bodies Corp									
i) Indian	148550	13050	161600	0.72	225264	13050	238314	1.06	0.34
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individuals Shareholders holding nominal share capital upto Rs 1 lakh	671499	332910	1004409	4.45	671391	301230	972621	4.31	-0.14
ii) individual Shareholders holding nominal capital in excess of Rs 1 lakh	368349	60000	428349	1.90	312949	60000	372949	1.65	-0.25
c) Others (specify)									
NBFCs registered with RBI	0	0	0	0	154	0	154	0.00	0.00
Foreign Nationals	13500	0	13500	0.06	0	0	0	0	0.00
Hindu Undivided Family	70497	0	70497	0.31	80967	0	80967	0.36	+0.05
Non Resident Indians (Repat)	3713	0	3713	0.02	3093	0	3093	0.01	-0.01
Non Resident Indians (Non Repat)	15725	19600	35325	0.16	14431	17600	32031	0.14	-0.02
Clearing Member	14308	0	14308	0.06	11631	0	11631	0.05	-0.01
Trusts	6267	41500	47767	0.21	6267	41500	47767	0.21	0.00
Investor Education And Protection Fund Authority Ministry Of Corporate Affairs	259037	0	259037	1.15	269782	0	269782	1.20	0.05
Sub-total (B)(2):-	**1571445**	**467060**	**2038505**	**9.04**	**1595929**	**433380**	**2029309**	**9.00**	**-0.04**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**2799143**	**538790**	**3337933**	**14.81**	**2832823**	**505110**	**3337933**	**14.81**	**+0.00**
C. Shares held by Custodian for GDRs & ADRs									
i. Promoter and Promoter group	0	0	0	0.00	0	0	0	0.00	0.00
ii. Public*	9777550	0	9777550	43.36	9777550	0	9777550	43.36	0.00
Sub-total C:-	**9777550**	**0**	**9777550**	**43.36**	**9777550**	**0**	**9777550**	**43.36**	**0.00**
Grand Total (A+B+C)	**22008760**	**538790**	**22547550**	**100.00**	**22042440**	**505110**	**22547550**	**100.00**	**0.00**

* During the current financial year, 10,00,000 GDRs have been converted into 20,00,000 equity shares

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	% change in share holding during the year
1	N.N. Financial Services Pvt Ltd	7087960	31.44	0.00	7087960	31.44	0.00	0.00
2	Nimbus India Ltd	2294107	10.17	0.00	2294107	10.17	0.00	0.00
3	Bipin Agarwal	25000	0.11	0.00	25000	0.11	0.00	0.00
4	Swarn Mohinder Singh	25000	0.11	0.00	25000	0.11	0.00	0.00

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

Sl. No.	Shareholder's Name	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	**N.N. Financial Services Pvt Ltd**				
	At the beginning of the year	7087960	31.44	7087960	31.44
	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):	No Change	N.A.	7087960	31.44
	At the End of the year	7087960	31.44	7087960	31.44
2	**Nimbus India Ltd**				
	At the beginning of the year	2294107	10.17	2294107	10.17
	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):	No Change	N.A.	2294107	10.17
	At the End of the year	2294107	10.17	2294107	10.17
3	**Bipin Agarwal**				
	At the beginning of the year	25000	0.11	25000	0.11
	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):	No Change	N.A.	25000	0.11
	At the End of the year	25000	0.11	25000	0.11
4	**Swarn Mohinder Singh**				
	At the beginning of the year	25000	0.11	25000	0.11
	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):	No Change	N.A.	25000	0.11
	At the End of the year	25000	0.11	25000	0.11

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1	**Life Insurance Corporation of India**				
	At the beginning of the year	1192248	5.29	1192248	5.29
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	1192248	5.29
	At the End of the year (or on the date of separation, if separated during the year)	1192248	5.29	1192248	5.29

2	**Naishadh Jawahar Paleja**				
	At the beginning of the year	125000	0.55	125000	0.55
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change	N.A.	125000	0.55
	At the End of the year (or on the date of separation, if separated during the year)	125000	0.55	125000	0.55
3	**Nippy Trading Private Limited**				
	At the beginning of the year	69581	0.31	69581	0.31
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change	N.A.	69581	0.31
	At the End of the year (or on the date of separation, if separated during the year)	69581	0.31	69581	0.31
4	**Anamica Financial Services Private Limited**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Acquisition of Shares 24.08.2018	65000	0.29	65000	0.29
	At the End of the year (or on the date of separation, if separated during the year)	65000	0.29	65000	0.29
5	**Shashikant Jain**				
	At the beginning of the year	33000	0.15	33000	0.15
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change	N.A.	33000	0.15
	At the End of the year (or on the date of separation, if separated during the year)	33000	0.15	33000	0.15
6	**Shashikant Jain (HUF)**				
	At the beginning of the year	32000	0.14	32000	0.14
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change	N.A.	32000	0.14
	At the End of the year (or on the date of separation, if separated during the year)	32000	0.14	32000	0.14

7	**Systematix Shares and Stocks (India) Limited**				
	At the beginning of the year	492	0.00	492	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Acquisition of Shares 25.05.2018 Sale of Shares 01.06.2018 Acquisition of Shares 22.06.2018 Acquisition of Shares 29.09.2018 Sale of Shares 05.10.2018 Acquisition of Shares 08.02.2019 Acquisition of Shares 22.02.2019 Sale of Shares 01.03.2019	 2 -2 30711 1000 -1000 1102 1000 -2102	 0.00 -0.00 0.14 0.00 -0.00 0.00 0.01 -0.01	 494 492 31203 32203 31203 32305 33305 31203	 0.00 0.00 0.14 0.14 0.14 0.14 0.15 0.14
	At the End of the year (or on the date of separation, if separated during the year)	31203	0.14	31203	0.14
8	**Official Trustee Bombay**				
	At the beginning of the year	30000	0.13	30000	0.13
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No Change	N.A.	30000	0.13
	At the End of the year (or on the date of separation, if separated during the year)	30000	0.13	30000	0.13
9	**Bank of India**				
	At the beginning of the year	28110	0.12	28110	0.12
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	28110	0.12
	At the End of the year (or on the date of separation, if separated during the year)	28110	0.12	28110	0.12
10	**Vinay Somani**				
	At the beginning of the year	27004	0.12	27004	0.12
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	27004	0.12
	At the End of the year (or on the date of separation, if separated during the year)	27004	0.12	27004	0.12

11	**Sangeeta Jain#**				
	At the beginning of the year	26645	0.12	26645	0.12
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	26645	0.12
	At the End of the year (or on the date of separation, if separated during the year)	26645	0.12	26645	0.12
12	**Vivek Kumar Bansal#**				
	At the beginning of the year	68502	0.30	68502	0.30
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) Sale of Shares 03.08.2018	-68502	-0.30	0	0.00
	At the End of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00

Ceased to be in the list of Top 10 shareholders as on 31.03.2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2018.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	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
	DIRECTORS:				
1	**Bipin Agarwal**				
	At the beginning of the year	25000	0.11	25000	0.11
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	25000	0.11
	At the End of the year	25000	0.11	25000	0.11
2	**Dr. Bidhubhushan Samal**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00

3	**Venkatesan Narayanan**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
4	**Milind Desai (appointed w.e.f. February 12, 2019)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
5	**Deb Kumar Banerjee**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
6	**Sujata Chattopadhyay**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
7	**Subhash Bhargava (ceased w.e.f. December 31, 2018)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00

KEY MANAGERIAL PERSONNEL:					
1	**Cumi Banerjee**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
2	**Hemang Ladani**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment **(Amount in ₹)**

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

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and /or Manager: (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager
		Dr. B. Samal
1	Gross salary	
	a) Salary as per provisions contained in section 17(1) of Income-tax Act, 1961	40,32,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,00,000
	c) Profits in lieu of salary under section 17(3) Income -tax Act, 1961	NIL
2	Stock Option	NIL
3	Sweat Equity	NIL
4	Commission	
	as % of profit	NIL
	others, specify	NIL
5	others, please specify	NIL
	Total (A)	**55,32,000**
	Ceiling as per the Act	Maximum Yearly Remuneration as per Schedule V Part II based on Effective Capital of the Company is ₹ 60 Lakhs (excluding Contribution to Provident Fund, Gratuity and Encashment of Leave as per Rules of the Company)

B. Remuneration to other directors: (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors						
		Bipin Agarwal	**Venkatesan Narayanan**	**Subhash Bhargava**	**Milind Desai**	**Sujata Chattopadhyay**	**Deb Kumar Banerjee**	**Total Amount**
1	**Independent Directors**							
	Fee for attending board committee meetings	--	810000	480000	180000	210000	--	**1680000**
	Commission	--	--	--	--	--	--	**--**
	Others, please specify	--	--	--	--	--	--	**--**
	Total (1)	**--**	**810000**	**480000**	**180000**	**210000**	**--**	**1680000**
2	**Other Non-Executive Directors**							
	Fee for attending board committee meetings	360000	--	--	--	--	**390000**	**750000**
	Commission	--	--	--	--	--		**--**
	Others, please specify	--	--	--	--	--		**--**
	Total (2)	**360000**	**--**	**--**	**--**	**--**	**390000**	**750000**
	Total (B)=(1+2)	**360000**	**810000**	**480000**	**180000**	**210000**	**390000**	**2430000**
	Total Managerial Remuneration (A+B)							**7962000**
	Overall Ceiling as per the Act	Ceiling on Sitting Fees as prescribed under the Act is ₹ 1,00,000/- per meeting per Director						

C. Remuneration to Key Managerial Personnel Other Than MD/Manager /WTD **(Amount in ₹)**

SI No.	Particulars of Remuneration	Key Managerial Personnel	
		CEO & Company Secretary (Cumi Banerjee)	Group Chief Financial Officer (Hemang Ladani) (w.e.f. April 20, 2018)
1	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of the Income -Tax Act, 1961	33,51,000	10,84,300
	b) Value of perquisites u/s 17(2) Income -tax Act, 1961	NIL	NIL
	c) profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission as % of profit others, specify	NIL	NIL
5	Others, please specify	NIL	NIL
	Total	**33,51,000**	**10,84,300**

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

For and on behalf of the Board
Industrial Investment Trust Limited

Dr. B. Samal
Chairman
(DIN: 00007256)

Date : August 19, 2019
Place : Mumbai

Annexure 2

AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules 2014

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries **(Amount in ₹)**

Name of the subsidiary	IITL Projects Limited (Consolidated)*	IIT Investrust Ltd	IIT Insurance Broking and Risk Management Pvt. Ltd	IITL Corporate Insurance Services Pvt. Ltd
1. The date since when subsidiary was acquired	August 04, 2008	December 31, 1992	September 25, 2008	January 22, 2014
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019
3. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Nil	Nil	Nil	Nil
4. Share capital	50,079,000	125,000,000	25,000,000	2,500,000
5. Reserves & surplus	(338,955,496)	32,080,470	(10,339,637)	(2,269,365)
6. Total assets	328,842,101	157,359,170	29,593,810	245,735
7. Total Liabilities	617,718,597	278,700	14,933,447	15,100
8. Investments	266,906,054	114,337,590	-	-
9. Turnover	7,330,075	11,429,680	9,074,525	41,803
10. Profit before taxation	(154,879,947)	8,196,660	(1,223,013)	(515,124)
11. Tax Expenses	(38,826)	1,400,740	1,507,782	-
12. Profit after taxation	(154,841,121)	7,697,220	(2,730,795)	(515,124)
13. Total Comprehensive Income	(154,787,726)	7,596,790	(2,734,437)	(515,124)
14. Proposed Dividend	-	-	-	-
15. % of shareholding	71.74%	99%	100%	100%

* Refers to amounts from consolidated financial statements of IITL Projects Limited.

The following information shall be furnished:-

1. **Names of subsidiaries which are yet to commence operations - IITL Corporate Insurance Services Pvt. Ltd ---** not commenced any business till date
2. **Names of subsidiaries which have been liquidated or sold during the year -** None

Part "B": Associates and Joint Ventures **(Amount in ₹ except shareholding)**

Name of Associates/Joint Ventures	World Resorts Limited (Associate)	Future Generali India Life Insurance Company Limited (Joint Venture)
1. Latest audited Balance Sheet Date	March 31, 2019	March 31, 2019
2. Date on which the Associate or Joint Venture was associated or acquired	August 28, 2012	December 17, 2013
3. Shares of Associate/Joint Ventures held by the company on the year end	March 31, 2019	March 31, 2019
No. of shares held	Equity - 13,018,125 Preference - 10,000,000	Equity - 326,700,000
Amount of Investment in Associates/Joint Venture	Equity - 155,181,250 Preference - 543,310,740	Equity - 3,400,000,000
Extent of Holding %	25%	17.73%
4. Description of how there is significant influence	By way of Share Capital (Associate Company)	By way of Share Capital (Joint Venture)
5. Reason why the associate/joint venture is not consolidated	N.A.	N.A.
6. Networth attributable to Shareholding as per latest audited Balance Sheet	(149,965,345)	515,656,309
7. Total Comprehensive income for the year		
i. Considered in Consolidation	5,215,905	(367,242,694)
ii. Not Considered in Consolidation	20,587,103	--

The following information shall be furnished:-

1. **Names of associates or joint ventures which are yet to commence operations** Nil
2. **Names of associates or joint ventures which have been liquidated or sold during the year** Nil

Dr. B. Samal
Chairman

Bipin Agarwal
Director

Place : Mumbai
Date : August 19, 2019

Cumi Banerjee
CEO & Company Secretary

Hemang Ladani
Group CFO

Annexure 3

AOC - 2

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 for the year ended March 31, 2019 - NIL

   (a) Name(s) of the related party and nature of relationship

   (b) Nature of contracts/arrangements/transactions

   (c) Duration of the contracts / arrangements/transactions

   (d) Salient terms of the contracts or arrangements or transactions including the value, if any

   (e) Justification for entering into such contracts or arrangements or transactions

   (f) Date(s) of approval by the Board

   (g) Amount paid as advances, if any:

   (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis for the year ended ended March 31, 2019 - NIL

Sl. No.	Particulars	Description
1.	Name(s) of the related party	------------NIL------------
2.	Nature of relationship	
3.	Nature of contracts / arrangements / transactions	
4.	Duration of the contracts / arrangements / transactions	
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	
6.	Date(s) of approval by the Board, if any	
7.	Amount paid as advances, if any	

For and on behalf of the Board
Industrial Investment Trust Limited

Dr. B. Samal
Chairman
(DIN: 00007256)

Date : August 19, 2019
Place : Mumbai

Annexure 4

REPORT ON CSR ACTIVITIES/INITIATIVES
[Pursuant to Section 135 of the Act & Rules made thereunder]

1. A brief outline of the company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy is provided in the table here below.

   The Company will focus its efforts through programs designed in the domains of education, health and environment. The Company may also form its own Foundations / Trusts for carrying out socio-economic projects as approved by the Board or alternatively make contributions to its Associate Companies' Corporate Foundations / Trusts towards its corpus for projects approved by the Board.

   A Company may also collaborate with group companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with the prescribed CSR Rules.

   The Board level Corporate Social Responsibility Committee (CSR Committee) of the Company shall be responsible for monitoring the CSR Policy from time to time. The CSR Committee shall approve and recommend to the Board, the projects or programs to be undertaken, the modalities of execution and implementation schedule from time to time.

   Further, to ensure that there is focus and maximum impact, the CSR Committee will endeavor to work on selected projects over a longer period of time so as to ensure that the outcomes of the projects can be measured.

   Details of the policy can be viewed on the following weblink.

   Weblink : http://www.iitlgroup.com/newStatic/Corporate_Social_Responsibility_Policy.pdf

2. The composition of the CSR Committee :

   Dr. B. Samal

   Mr. Bipin Agarwal

   Mr. Venkatesan Narayanan

3.	Average Net Profit of the company for last 3 financial years	:	₹ 73,60,614/-
4.	Prescribed CSR expenditure (2% of the amount)	:	₹ 1,47,212/-(rounded upto ₹ 2,00,000/-)
5.	Details of CSR activities/projects undertaken during the year	:	
	a) total amount spent for the financial year 2018-2019	:	₹ 2,00,000/-
	b) amount un-spent, if any	:	NIL

c) manner in which the amount spent during financial year, is detailed below :

1	2	3	4	5	6	7	8
Sr. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1. Local area/ others- 2. specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme Sub-heads: 1. Direct expenditure on project/ programme, 2. Overheads:	Cumulative spend upto to the reporting period	Amount spent: Direct/ through implementing agency
				₹ in lacs	₹ in lacs	₹ in lacs	
1	Old age home rendering services to widows, helpless aged people, for eye-ailments and cataract surgery, supply of ration package to the aged people every month.	Promoting gender equality, setting up old age homes and providing other facilities to senior citizens	Delhi	₹ 2.00	₹ 2.00	₹ 2.00	Contribution made to Tara Sansthan

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

   Pursuant to Section 135 of the Companies Act, 2013 & Rules made thereunder, the Company has spent 2% of the average net profit of the last 3 financial years as stated above.

7. CSR activities are implemented and monitored in compliance with CSR objectives and Policy of the Company.

Bipin Agarwal
Director

Dr. B.Samal
Chairman of CSR Committee

Annexure 5

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
Industrial Investment Trust Limited
Rajabahadur Mansion, 2nd Floor,
28, Bombay Samachar Marg,
Fort, Mumbai 400 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Industrial Investment Trust Limited" (CIN: L65990MH1933PLC001998) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Industrial Investment Trust Limited for the financial year ended on March 31, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company during the Audit Period)

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the company during the Audit Period)

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the Audit Period)

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the Audit Period)

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the Audit Period)

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the Audit Period)

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the Audit Period) and

  (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Apart from the above, we have relied on the representation made by the company through its officers for systems and mechanisms formed by the company for compliance of the following specific applicable laws:

  (a) Reserve Bank of India Act, 1934

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the company with the BSE Limited and the National Stock Exchange of India Limited.

During the period under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that

The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the information provided by the company, its officers and authorized representatives during the conduct of the audit, in our opinion, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines including labour laws viz. Employees Provident Fund and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the specific events/actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. are mentioned below:

1. The Reserve Bank of India (RBI) vide its Letter dated June 25, 2018 has prohibited the Company from expanding its credit / investment portfolio other than investment in Government Securities till Net NPAs are brought down to below 5%.

For Chandanbala Jain and Associates
Practising Company Secretaries

Chandanbala O. Mehta
FCS: 6122
C.P.No.: 6400

Place: Mumbai
Date: August 19, 2019

Note: This report is to be read with our letter of even date which is annexed herewith and forms an integral part of this report.

Annexure to Secretarial Audit Report

The Members,
Industrial Investment Trust Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “Industrial Investment Trust Limited” (CIN: L65990MH1933PLC001998) (the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon. Further, our Secretarial Audit Report of even date is to be read along with this Annexed letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Whereever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Chandanbala Jain and Associates
Practising Company Secretaries

Chandanbala O. Mehta
FCS: 6122
C.P.No.: 6400

Place: Mumbai
Date: August 19, 2019

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMIC SCENARIO:

During the year gone by, economic activity was accelerating in almost all regions of the world and the global economy was projected to grow at 3.9 percent in fiscal 2018 and fiscal 2019. The global growth slowed notably towards the second half of fiscal 2019 as the macro environment became challenging. The escalation of US - China trade tension, macro economic stress in European countries, tighter credit policies in China and financial tightening of monetary policies in advanced economies have all contributed to a significantly weakened global expansion. With this weakness expected to persist, the World Economic Outlook (WEO) projects a further decline in growth to 3.3 percent. Although as per IMF and WEO a 3.3 percent global expansion is reasonable, the outlook for many countries is very challenging, with considerable uncertainties in the short term and downside risk due to trade tensions and impending Brexit. The US Federal Reserve in response to rising global risks, paused interest rate increases for the rest of the year. China has ramped up its fiscal and monetary policy to counter the negative effect of trade tariffs.

INDIAN ECONOMIC SCENARIO:

During the year 2018-19 growth of GDP moderated to 6.8 percent. The economy had to deal with post demonetization effects, disruption from implementation of Goods and Service tax. Subsequent to these upheavals a growth slowdown has gripped the domestic economy. Private investment a critical element of growth continues to be sluggish as Corporates battle low capacity utilization. Banking industry troubles refuse to go away and the challenges in the financial sector have been compounded by the crisis in the non-banking finance sector. The country is facing slowdown in economic growth, rising unemployment, inflation outlook and resilient external sector. The main drivers of growth-investment and consumption remain weak. The Current Account Deficit (CAD) has widened and adverse geopolitical developments coupled with trade tensions are a potential threat to trade and CAD. During the fiscal 2018-19 economic growth has weakened to 6.8 percent and is expected to be around 7 percent in 2019-20. India is still considered to be a fastest growing major economy. It is a gruelling time for the Indian industries. A host of factors - weak economic growth, low disposable income, rising fuel costs have contributed to the consumption slowdown. The financiers of the economy- banks and NBFCs are grappling with bad loans and mounting NPAs. The trade wars and increased protectionism policy of US pose a threat to export orientated sectors.

INDIAN CAPITAL MARKETS:

Despite several challenges including the NBFCs-triggered liquidity crisis as well as global trade tensions and high crude oil prices, the Indian equities market emerged as one of the best performers globally in 2018-19. The year was marked by several issues starting from high crude oil prices, rupee faltering to new record lows, liquidity crisis in the Non-Banking Financial Companies (NBFC), US-China trade tensions, delay in Brexit breakthrough. The equity markets touched its all-time high levels in FY2019. Post default by IL&FS and on NBFC liquidity concerns, market saw sharp correction in the Benchmark indices. However, market rallied sharply towards the end of the financial year due to strong inflows from FIIs and Nifty ended with 14.93% gains in FY2019. The BSE Sensex rose nearly 17 per cent during the financial year 2019, while the Nifty 50 on the National Stock Exchange increased by 15 per cent during same period. However, the gains were capped as crude oil prices rose and fears over a tariff warinduced global slowdown grew. On March 29, the last trading day of FY 2018-19, Sensex rose 127 points to close at 38,672.91 and the Nifty 50 settled at 11,623.90 points, higher by 53.90 points from its previous close.

Recapitalisation of state-run banks which were under stress was a major boost for the markets. Along with recapitalisation of Public sector banks, eventual easing of liquidity concerns, and a sustained rise in foreign fund inflows supported the market. Expectations of the incumbent government coming back to power further boosted the investor sentiments.

The important factor that changed the overall scenario in FY19 was the rising interest rates in global markets which was a major concern for the Indian market. Hence the liquidity that was there available easily was being sucked out and capital outflow was seen. So it was a year more of consolidation.

BUSINESS OVERVIEW OF THE COMPANY, ITS SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURE:

Your Company is registered with Reserve Bank of India (RBI) as a Non-Deposit taking Non-Banking Financial Company. In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, your Company is categorized as a ‘Systemically Important Non-Deposit taking Non-Banking Financial Company’. It is primarily a Holding company, holding investments in its subsidiaries and other group companies. The activities of the Company comprises of Investment in equity shares, quoted as well as unquoted, units of mutual funds, Fixed Deposits with renowned banks, Inter Corporate deposits and loans to its Group Entities.

The Company through its subsidiary viz., IITL Projects Limited (IITLPL) and the joint ventures of subsidiary are in the business of real estate. The residential projects which have been undertaken by them are located in Noida and Greater Noida region and Yamuna Express way. (The details of projects undertaken by IITLPL and through Joint ventures have been provided in the Directors’ Report), IIT Investrust Limited (IITIL) is in the business of Stock Broking and depository facilities. Besides that IITIL also provides advisory and consultancy services to various body corporates. In June 2019, IITIL has made application to BSE Limited and NSE for voluntary closure of stock broking business and surrender of membership with the Exchanges. IIT Insurance Broking and Risk Management Private Limited (IIT Insurance) is in the business of Direct Insurance Broking. (Life and Non-Life). IITL Corporate Insurance Services Private Limited (IITL Corporate Insurance) had withdrawn the application for undertaking the business of Corporate Agency. Subsequent to that it has not commenced any business till date.

The company derives major source of revenue from the interest income on the loans granted to various group companies. Some of these loans have become NPAs on account of non repayment of loan as well as default in servicing their interest obligations. Besides that in compliance with RBI guidelines, the Company is also required to make provisions on said loans which have further impacted the financials of the company, its performance and profitability.

Major portion of the loans granted to the group companies are in the business of real estate. However the sector is facing trouble from last few years. It is in the midst of structural changes with Real Estate (Regulation and Development) Act 2016, Goods and Service Tax Act (GST), the Insolvency and Bankruptcy code and other regulatory measures. Initially these measures dampened the residential property demand as the buyers lost confidence in the market and many developers took a hit. The unsold inventory levels rose and new launches also declined. There were signs of revival in 2018, but due to the IL&FS default and RBIs tightening norms for NBFC and Housing Finance Corporation which are the primary lender for realty sector has been affecting the market and sales.

With the benefits granted in the budget for affordable housing the joint ventures of the subsidiary company, IITL Projects expect a turnaround in sales in the current fiscal and generate revenue.

RISKS AND CONCERNS:

The Company is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate risk, market risk, credit risk, liquidity risk, geo-political risk or uncertain economic conditions. Besides that the equity markets become extremely volatile due to various other factors like policy changes, capital inflows/outflows etc. The Company manages these risks by maintaining conservative financial profile and by following prudent business and risk management practices. The Company manages the risks through proper frame work of policy and procedures approved by the Board of Directors from time to time. The Company has formulated a Risk Management Policy. The Company through the Committee for Investments / Loans and Risk Management identifies, evaluates, analyses and prioritize risks in order to address and minimize such risks. This exercise facilitates identifying high level risks and implement appropriate solutions for minimizing the impact of such risks on the business of the Company. The Company is exposed to Credit risk which can be on account of loss of interest income and the Company's inability to recover the principal amount of the loan disbursed to the borrowers.

The assets are classified from time to time as performing and non-performing in accordance with RBI guidelines. Provisions are made on standard, sub standard and doubtful assets at rates prescribed by RBI. An asset is classified as non-performing if any amount of interest or principal remains overdue for the number of stipulated days.

The Company has made a substantial investment by acquiring stake in Insurance Company as a Joint Venture participant. The insurance business is subjected to many risks like pricing risk, market-viability risk, asset related risk, lapse rates, mortality assumption risk or any other acquisition risks. Under the said circumstances, the Company is required to monitor the risks managed by the investee company in order to avoid adverse impact on the investment made by the company. However insurance business has a gestation period and therefore management views this as long term investment.

The Company's subsidiary and its joint ventures are in the business of real estate and their financial performance will have impact on the Group's business results and financial condition. The subsidiaries of the company also manage their business risks by following proper risk management policies to avoid any adverse impact on the holding company.

SIGNIFICANT FINANCIAL RATIOS

As per the provisions of SEBI Listing Regulations, 2015, the significant financial ratios are given below:

Particulars		2018-2019	2017-18
Net Profit margin	%	(168.77%)	(127.35%)
Operating Profit margin	%	(168.54%)	(127.07%)
Debtors turnover	times	N.A.	N.A.
Stock turnover	times	N.A.	N.A.
Debt equity ratio	%	N.A.	N.A.
Current ratio	times	5.51	11.99
Interest coverage ratio	times	N.A.	N.A.
Return on Net worth	%	(8.86%)	(4.91%)

FINANCIAL PERFORMANCE

The Company has incurred a loss after tax of ₹ 4408.67 lakhs during the year compared to loss of ₹ 2582.03 lakhs in the previous year. The revenue from operations during the year is ₹ 2611.77 lakhs compared to ₹ 2239.03 lakhs in the previous year.

Reversal of provision of ₹ 307.50 lakhs compared to previous year provision made for sub standard assets of ₹ 3740.02 lakhs has been made towards long term loans given to related parties. The income of ₹ 273.89 lakhs comprises of interest income compared to previous year of ₹ 257.22 lakhs. The income on preference shares amortization is ₹ 1440.71 lakhs compared to previous year of ₹1187.58 lakhs in line with guidelines on Ind AS implementation

HUMAN RESOURCE:

Your company considers Human Resource as key drivers to the growth of the Company. The Company has performance based appraisal system. As on March 31, 2019, the total number of employees including subsidiaries was 21.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company maintains appropriate systems of Internal Control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorised use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

The Company has established appropriate Internal control framework in its operations and financial accounting and reporting practices to ensure due adherence to the Internal Financial Control over Financial Reporting under section 143 (3) of The Companies Act 2013.

The Board of Directors have adopted Related Party Transactions Policy and Whistle Blower /Vigil Mechanism for ensuring efficient conduct of the business of the Company, 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.

The internal control is supplemented by an effective internal audit carried out by an external firm of Chartered Accountants. The management regularly reviews the findings of the internal auditors and takes appropriate steps to implement the suggestions and observations made by them. The management ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Audit Committee of the Board of Directors reviews the adequacy of Internal Controls. The Internal Auditors are present at the Audit Committee Meetings where Internal Audit Reports are discussed alongside of management comments and the final observation of the Internal Auditor.

All these measures assist in timely detection of any irregularities and remedial steps that can be taken to avoid any pecuniary loss.

OUTLOOK:

During the financial year 2018-19 the Company's performance remained subdued on account of under performance of its subsidiaries and other group entities as well as on account of RBI restrictions imposed on the company to make further investments or grant loans till the level of NPAs are reduced.

Major component of the loans granted to real estate group entities have turned NPAs. The group entities which are in the real estate have not been able to generate enough cash flows on account of low sales volume. The sector is also reeling from severe cash crunch created by the liquidity squeeze.

The management is of the opinion that reform measures such as GST, IBC, RERA have stabilized the sector and has also brought in more transparency. Also the Union Budget 2019-20 has enhanced its focus on real estate, particularly in the affordable housing segment. To stimulate the demand in the residential market, the Government has announced additional deductions in income tax for affordable housing properties over and above the existing deductions.

With the concessions granted for the real estate sector it is expected that sales will pick up in the current financial year. The Company expects that these entities will be able to repay the loans once the demand picks up.

As per IMF, the Indian economy is projected to grow at 7.2 percent in 2020. A lot depends on several factors like global oil prices, a good monsoon, core inflation and a low interest rate regime

As for global economy it is expected that there will be improvement in the growth in second half of 2019. A lot would depend on host of other factors, the most debilitating being the escalating trade war between US and China on tariffs and counter tariffs.

DISCLAIMER:

The information and opinion expressed in this section of the Annual Report may contain certain statements, which the Management believes are true to the best of its knowledge at the time of its preparation. The Company and the Management shall not be held liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein.

On Behalf of the Board of Directors,

Dr. B. Samal
Chairman
(DIN: 00007256)

Place: Mumbai
Date: August 19, 2019

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company has been upholding the core values in all facets of its corporate working, with due concern for the welfare of shareholders of the Company. The Management has consistently followed the principles of Corporate Governance, based on fairness, transparency, integrity, accountability and the compliance with laws in all corporate decisions.

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is given hereunder:

2. BOARD OF DIRECTORS

Composition of the Board, Category of Directors, Other Directorships, Committee Memberships and Chairmanships of other companies are given in the table below:

Sr. No	Name of the Directors	Category	No. of other Directorships held*	No. of Committee Memberships of other Companies#	No. of Committee Chairmanships of other Companies#	Directorship in other listed entities
1	Dr. B. Samal	NI / E Executive Chairman	6	3	2	Independent Non-Executive Director: (a) Reliance Capital Limited (b) Vipul Limited Non-Independent Non-Executive Director: (a) IITL Projects Limited
2	Mr. Bipin Agarwal	NI / NE Promoter	6	1	1	Non-Independent Non-Executive Director: (a) IITL Projects Limited Managing Director: (a) Nimbus Projects Limited
3	Mr. Venkatesan Narayanan	I / NE	3	3	1	Independent Non-Executive Director, (a) IITL Projects Limited
4	Mr. Deb Kumar Banerjee	NI / NE Representative of LIC of India	Nil	Nil	Nil	Nil
5.	Ms. Sujata Chattopadyay	I / NE	5	2	1	Independent Non-Executive Director: (a) IITL Projects Limited (b) Polygenta Technologies Limited (c) Vakrangee Limited (d) Steel Exchange India Limited
6.	Mr. Milind S. Desai (appointed w.e.f. February 12, 2019)	I / NE	2	2	1	Independent Non-Executive Director: (a) IITL Projects Limited
7.	Mr. Subhash C. Bhargava (resigned w.e.f. December 31, 2018)	I / NE	N.A.	N.A.	N.A.	N.A.

NI - Non Independent Director
I - Independent Director
NE - Non-Executive Director
E - Executive Director

* Excludes alternate directorships, directorships in foreign companies, private limited companies and Companies under Section 8 of the Companies Act, 2013.

\# Excludes Committees other than Audit Committee and Stakeholders' Relationship Committee of public limited companies.

Disclosure of relationship between directors inter-se

None of the Directors of the Company are related to each other.

Number of shares and convertible instruments held by Non-Executive Directors

None of the Non-Executive Directors hold any shares or convertible instrument of the Company.

Board Procedures

The dates for meetings of the Board of Directors and its Committees are scheduled in advance and published as a part of the Annual Report. The Agenda and the explanatory notes are circulated well in advance to the Directors in accordance with the Secretarial Standards.

The CEO / CFO make presentations to the Board on matters including but not limited to the Company's performance, operations, plans, etc. The Board has complete access to any information within your Company which includes the information as specified in Regulation 17 of the Listing Regulations.

The draft minutes of the Board and its Committees are sent to the Directors / Members of the Board / Committees for their comments and then the minutes are entered in the minutes book within 30 days of the conclusion of the meeting.

Information supplied to the Board

The Board has complete access to all information of the Company, including inter-alia, the information to be placed before the Board of Directors as required under the Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to the concerned Departments.

Skills / Expertise / Competence of the Board of Directors

The Board has identified the following skills / expertise /

competencies fundamental for the effective functioning of the Company which are currently available with the Board: Expertise in Financial sector (Banking and Non-Banking); Governance; Managerial and Entrepreneurial skills for Business Development. Our Chairman Dr. B. Samal has served as Chairman & Managing Director of Allahabad Bank and Industrial Investment Bank of India and has held many important posts during his vast career of 35 years in Banking and Finance.

Independent Directors

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold directorship more than the prescribed limit in the Listing Regulations. The terms and conditions of appointment of Independent Directors have been disclosed on the weblink of the Company viz. http://www.iitlgroup.com/newStatic/AboutUs.aspx

In the opinion of the Board, the Independent Directors of the Company fulfill the conditions for appointment as Independent Directors as specified in the Companies Act, 2013 and the SEBI Listing Regulations and are independent of the management.

Mr. Subhash C. Bhargava, Independent Director resigned with effect from December 31, 2018 due to other commitments.

Board Meetings and Annual General Meeting

The meetings of the Board are scheduled well in advance. The Board meets at least once in a quarter inter alia to review the performance of the Company. For each meeting, a detailed agenda is prepared in consultation with the Chairman.

During the year 2018-2019, 7 Board Meetings were held i.e., on April 19, 2018, May 29, 2018, August 13, 2018, September 10, 2018, December 11, 2018, February 12, 2019 and March 18, 2019.

Attendance at the Board Meetings and at the Annual General Meeting (AGM)

Name of the Director	No. of Board Meetings attended	Attendance at the last AGM
Dr. B. Samal	7	Yes
Mr. Bipin Agarwal	6	Yes
Mr. Venkatesan Narayanan	7	Yes
Mr. Deb Kumar Banerjee	5	Yes
Ms. Sujata Chattopadhyay	6	Yes
Mr. Milind S. Desai#	1	Not Applicable
Mr. Subhash C. Bhargava*	5	Yes

Appointed w.e.f. February 12, 2019

* Resigned w.e.f. December 31, 2018

3. FAMILIARISATION PROGRAMME

The Company has formulated a Familiarisation Programme for Independent Directors with an aim to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., to provide them with better understanding of the business and operations of the Company and so as to enable them to contribute significantly to the Company.

The Company conducts periodical meetings and make presentations to familiarise Independent Directors with the strategy, operations and functions of the Company.

The details of the familiarisation programme have been disclosed on the website of the Company under the web link http://www.iitlgroup.com/newStatic/AboutUs.aspx.

4. GOVERNANCE CODES

Code of Conduct

As required by the Listing Regulations, the Board of Directors of the Company have adopted a Code of Conduct for all Board members which incorporates the duties of Independent Directors and Senior Management of the Company. In terms of Regulation 26(3) of the Listing Regulations, the members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the period under review. A declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.

The full text of the Code is disclosed on the Company's weblink http://www.iitlgroup.com/CODE_OF_CONDUCT_new.pdf.

Code of Conduct for Prevention of Insider Trading

Your Company has adopted a Code of Conduct as per SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. All Designated Persons who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The full text of the Code is disclosed on the Company's weblink http://www.iitlgroup.com/newStatic/AboutUs.aspx

5. COMMITTEES OF THE BOARD

The Board has constituted the following Committees of Directors:

a) Audit Committee:

The Audit Committee was constituted on March 14, 2001. It was last reconstituted on February 12, 2019. The Committee is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of the Regulation 18 of the Listing Regulations.

During the year under review, six meetings of the Audit Committee were held, the dates being April 19, 2018, May 29, 2018, August 13, 2018, September 10, 2018, December 11, 2018 and February 12, 2019.

The composition and attendance of members at the Audit Committee Meetings are as follows:

Audit Committee Members	Status	No. of Audit Committee Meetings Attended
Mr. Milind S. Desai#	Chairman	1
Mr. Subhash C. Bhargava*	Chairman	5
Mr. Deb Kumar Banerjee	Member	4
Mr. Venkatesan Narayanan	Member	6

Appointed as a Member / Chairman of Audit Committee on February 12, 2019

* Ceased to be Member / Chairman of Audit Committee on December 31, 2018

Each member of the Committee has relevant experience in the field of accounts and finance, with the Chairman of Committee being a Chartered Accountant.

Mr. Subhash C. Bhargava, the then Chairman of Audit Committee was present at the Annual General Meeting held on September 21, 2018.

The representatives of Statutory Auditors and Internal Auditors are invitees to the Audit Committee Meetings at the discretion of the Committee Members. They have attended four Audit Committee meetings out of six meetings held during the year.

Ms. Cumi Banerjee, CEO & Company Secretary acts as Secretary to the Committee and attends the meetings.

Terms of Reference:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing and examination, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. Modified Opinion in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as prescribed by the Board of Directors from time to time.

b) Nomination and Remuneration Committee:

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Committee was last reconstituted on February 12, 2019.

The Key Objectives of the Committee

i) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

ii) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

iii) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

iv) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

During the year under review, four meetings of the Nomination and Remuneration Committee were held on April 19, 2018, August 13, 2018, February 12, 2019 and March 18, 2019.

The composition and attendance of members at the Committee Meeting as on March 31, 2019 are as follows:

Nomination and Remuneration Committee Members	Status	No. of Nomination and Remuneration Committee Meetings Attended
Mr. Milind S. Desai#	Chairman	1
Mr. Subhash C. Bhargava*	Chairman	2
Mr. Deb Kumar Banerjee	Member	3
Mr. Venkatesan Narayanan	Member	4

Appointed as a Member / Chairman of Nomination and Remuneration Committee on February 12, 2019

* Ceased to be Member / Chairman of Nomination and Remuneration Committee on December 31, 2018

Terms of Reference:

a. Identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommendation to the Board about their appointment and removal and carrying out evaluation of every Director's performance;

b. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

c. Formulate a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and while formulating the policy the Committee to ensure that the:

   i. Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

   ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

d. In cases where any services rendered by a Director are of a professional nature to opine whether the Director possesses the requisite qualification for the practice of the profession;

e. Approve the payment of remuneration of Executive Chairman / Managing Director or Whole-time Director or a Manager (Managerial Person) for the purposes of Section II (dealing with remuneration payable by companies having no profit or inadequate profit without Central Government approval) of Part II of the Schedule V (under sections 196 and 197) of the Companies Act, 2013.

f. to look into the entire gamut of remuneration package for the working Director(s) and revise their remuneration suitably within the limits prescribed under the Companies Act, 2013 or any rules or amendments thereto, with power to consider fixing/ re-fixing salaries, perquisites and other terms of remuneration of the working Director(s) of the Company subject to approval of shareholders, where necessary;

g. to decide on the commission payable to the Directors within the prescribed limit and as approved by the shareholders of the Company;

h. to attend to such other matters and functions as may be prescribed from time to time.

Evaluation

The Committee carries out evaluation of performance of every Director, Key Managerial Personnel and Senior Management Personnel once a year.

Performance evaluation of Independent Directors

The Nomination and Remuneration Committee of the Board laid down the evaluation criteria for performance of all its Directors including the Independent Directors. The performance evaluation of the Independent Directors has been done by the entire Board of Directors, except the Director concerned being evaluated. Some of the performance indicators, based on which the independent directors, are evaluated include:

- Attendance and participations in the Meetings and timely inputs on the minutes of the meetings
- The ability to contribute to and monitor our corporate governance practices
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
- Interpersonal relations with other directors and management
- Objective evaluation of Board's performance, rendering independent, unbiased opinion
- Safeguarding interest of whistle-blowers under vigil mechanism and safeguard of confidential information
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction

Pecuniary transactions with non-executive directors

During the year under review, there were no pecuniary transactions with any non-executive director of the Company. The register of contracts is maintained by the Company under section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

Criteria of making payments to non-executive directors

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making, and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company. The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Nomination and Remuneration Policy

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Remuneration Policy providing (a) criteria for determining qualifications, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees. The detailed Nomination and Remuneration Policy is placed on http://www.iitlgroup.com/newStatic/Nomination_Remuneration_Policy.pdf

Details of remuneration paid to the Executive Chairman for the year 2018-2019 are given below:

Name	Salary ₹	Perquisites ₹	Contribution to P.F ₹	Total ₹
Dr. B. Samal	36,00,000/-	15,00,000/-	4,32,000/-	55,32,000/-

Apart from fixed components set by the Nomination and Remuneration Committee, no performance linked incentives are paid to Dr. B. Samal.

Details of remuneration paid to Non-Executive Directors for the year 2018-2019 are given below:

Sitting Fees (excluding GST)

Name	Board Meetings ₹	Committee Meetings ₹	Total ₹
Mr. Bipin Agarwal	1,80,000/-	1,80,000/-	3,60,000/-
Mr. Venkatesan Narayanan	2,10,000/-	6,00,000/-	8,10,000/-
Mr. Deb Kumar Banerjee (Representative of LIC of India)	1,50,000/-	2,40,000/-	3,90,000/-
Ms. Sujata Chattopadhyay	1,80,000/-	30,000/-	2,10,000/-
Mr. Milind S. Desai#	60,000/-	1,20,000/-	1,80,000/-
Mr. Subhash C. Bhargava*	1,50,000/-	3,30,000/-	4,80,000/-
Total	9,30,000/-	15,00,000/-	24,30,000/-

Appointed w.e.f. February 12, 2019
* Resigned w.e.f. December 31, 2018

Mr. Bipin Agarwal holds 25,000 equity shares in the Company and none of the remaining Directors hold any equity share of the Company as on March 31, 2019.

Stock Option

Presently, the Company does not have a practice of granting stock options.

c) Stakeholders Relationship Committee (SRC)

The composition of the Stakeholders Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Committee was last re-constituted on February 09, 2017.

During the year under review, two meetings of the Stakeholders Relationship Committee were held on May 04, 2018 and October 30, 2018

The composition and attendance of members at the SRC Meetings as on March 31, 2019 are as follows:

Stakeholders Relationship Committee Members	Status	No. of Stakeholders Relationship Committee Meetings Attended
Mr. Venkatesan Narayanan	Non Executive Director - Chairman	2
Dr. B. Samal	Member	2
Mr. Deb Kumar Banerjee	Member	1

This Committee:

(1) approves and monitors transfers, transmissions, splitting and consolidation of shares and the issue of duplicate share certificates; and

(2) looks into various issues relating to shareholders, including redressal of complaints received from shareholders relating to transfer of shares, non-receipt of annual report, dividends etc.

To expedite share transfer process, the Board has authorised the CEO & Company Secretary to approve share transfer / transmission / consolidation / split / deletion up to five thousand shares. Requests for share transfer / transmission / consolidation / split / deletion for more than five thousand shares and issue of duplicate share certificates are approved by the SRC. Transfer formalities have been attended at least once in a fortnight.

- Name and designation of Compliance Officer:	Ms. Cumi Banerjee CEO & Company Secretary
- No. of shareholders' complaints received	3
- No. of shareholders' complaints resolved	3
- No. of complaints not resolved to the satisfaction of the shareholders	Nil
- Pending complaints as on 31.03.2019	Nil

The Company attends to investors' & shareholders' grievances within 15 days from the date of its receipt.

d) Committee for Investments / Loans and Risk Management

The Board had re-constituted 'Committee of Directors' on March 05, 2008 to deal with matters concerning investments and granting loans. On July 20, 2010, the nomenclature of Committee of Directors was changed to 'Committee for Investment and Loans'.

The Board had constituted a Risk Management Committee on June 26, 2006.

The Board of Directors in their meeting held on August 01, 2013, decided that a new Committee by the name '**Committee for Investments / Loans and Risk Management**' be constituted in place of 'Committee for Investments and Loans' and 'Risk Management Committee' which would deal with matters concerning investments, granting loans, taking / providing guarantees / securities and address all risks which can create impact on the business of the Company.

The Committee was last re-constituted on February 12, 2019.

During the year under review, 5 meetings of Committee for Investments / Loans and Risk Management were held on May 29, 2018, August 13, 2018, November 13, 2018, December 11, 2018 and February 12, 2019

The composition and attendance of members at the Committee for Investments / Loans and Risk Management Meetings as on March 31, 2019 are as follows:

Committee for Investments / Loans and Risk Management Members	Status	No. of Committee for Investments / Loans and Risk Management Meetings Attended
Mr. Milind S. Desai#	Chairman	1
Mr. Subhash C. Bhargava*	Chairman	4
Dr. B. Samal	Member	5
Mr. Bipin Agarwal	Member	5

Appointed w.e.f. February 12, 2019
* Resigned w.e.f. December 31, 2018

e) Corporate Social Responsibility Committee (CSR)

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee was constituted on May 20, 2014.

During the year under review, one meeting of Corporate Social Responsibility Committee was held on August 13, 2018.

The Company has formulated CSR Policy, which is uploaded on the Website of the Company (Weblink: http://www.iitlgroup.com/newStatic/Corporate_Social_Responsibility_Policy.pdf).

The composition and attendance of members at the Corporate Social Responsibility Committee Meetings as on March 31, 2019 are as follows:

Corporate Social Responsibility Committee Members	Status	No. of Corporate Social Responsibility Committee Meetings Attended
Dr. B. Samal	Chairman	1
Mr. Bipin Agarwal	Member	1
Mr. Venkatesan Narayanan	Member	1

f) **Asset Liability Management Committee**

The Board has constituted '**Asset Liability Management Committee**' (ALCO) on August 01, 2013 consisting of senior management executives which monitors liquidity and interest rate risks of the Company. The functioning of ALCO is reviewed by the Committee for Investments / Loans and Risk Management which meets on quarterly basis and reports to the Board of Directors.

The Committee was last re-constituted on August 13, 2018.

During the year under review, 4 meetings of Asset Liability Management Committee were held on May 25, 2018, September 10, 2018, December 07, 2018 and March 18, 2019.

g) IT Strategy Committee

Pursuant to RBI Master Direction-Information Technology Framework for the NBFC sector, the Company has constituted an IT Strategy Committee to review the IT strategies in line with its corporate strategies, Board policy reviews, cyber security arrangements and any other matter related to IT governance.

The Board has constituted '**IT Strategy Committee**' on February 10, 2018 consisting of an Independent Director, Chief Executive Officer (CEO), Chief Information Officer (CIO) and Chief Technology Officer (CTO) to carry out review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance. The said Committee was re-constituted on August 13, 2018 with Chief Financial Officer as an additional Member.

During the year under review, 2 meetings of IT Strategy Committee were held on June 26, 2018 and December 24, 2018.

6. COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS

a) Management Discussion and Analysis

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under the Listing Regulations.

b) Separate Meeting of Independent Directors

During the year under review, the Independent Directors met on March 18, 2019, inter alia, to discuss:

i) Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;

ii) Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;

iii) Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

c) Subsidiary Companies

As per clause (c) of sub-regulation (1) of Regulation 16 of the Listing Regulations "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth, of the listed entity and its subsidiaries in the immediately preceding accounting year.

The Company has formulated a Policy for determining Material Subsidiaries. The policy is available on the website of the Company. (Weblink: http://www.iitlgroup.com/newStatic/Policy_for_Determining_Material_Subsidiaries.pdf).

As on March 31, 2019, there is no material unlisted subsidiary of the Company.

The unlisted subsidiary companies are managed by their separate Board of Directors, who are empowered to exercise the rights and perform the duties for efficient monitoring and management of the unlisted subsidiary companies. The Company overseas and monitors the performance of subsidiary companies by following means:

i. The Audit Committee reviews the financial statements and, in particular the investments made by the unlisted subsidiary companies.

ii. The minutes of the meetings of the Board of Directors of the unlisted subsidiary companies are placed before the Board of Directors of the Company.

iii. A statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Board of Directors of the Company.

d) Disclosures - Related Party transactions

As per Section 188 of the Companies Act 2013 and Regulation 23 of the Listing Regulations, all the Related Party transactions were on arm's length basis and the same were duly approved by the Audit Committee.

Sub-regulation (1) of Regulation 23 of SEBI Listing Regulations explains that "A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.”

Statements in summary form of transactions with related parties are periodically placed before the Audit Committee.

As required under Listing Regulations, the Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions. The policy is available on the website of the Company. (Weblink: http://www.iitlgroup.com/newStatic/Related_Party_Transaction_Policy.pdf).

e) Vigil Mechanism/ Whistle Blower Policy

As required by the Companies Act, 2013 and Regulation 22 of the Listing Regulations, your Company has formulated a Vigil Mechanism/ Whistle Blower Policy to maintain the standard of ethical, moral and legal conduct of business operations. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees or Directors or any other person to avail of the mechanism and also provide for direct access to the Chairman/ CEO/ Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that no Director/ employee/ any other person has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Whistle Blower Policy has been disclosed on the Company’s website under the web link http://www.iitlgroup.com/newStatic/Vigil_Mechanism_Whistle_Blower_Policy.pdf and circulated to all the Directors / employees.

f) Disclosure of Accounting Treatment

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) to comply with the same as specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable and Non-Banking Financial Company - Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

g) Disclosure on Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board periodically reviews the same.

h) CEO / CFO Certification

In terms of the requirements of Regulation 17(8) of the Listing Regulations, the Executive Chairman, Dr. B. Samal, CEO & Company Secretary, Ms. Cumi Banerjee and Mr. Hemang Ladani, Group CFO have submitted necessary certificate to the Board of Directors stating the particulars specified under the said regulations.

This certificate has been reviewed and taken on record by the Board of Directors at its meeting held on May 23, 2019 and enclosed here as “**Annexure - A**”.

i) Non-mandatory requirements

Besides complying with mandatory requirements of the Listing Regulations, the Company has also complied with the following non-mandatory requirements of Listing Regulations.

i) Audit Qualifications

The Company continues to remain in the regime of unqualified financial statements and submits a Declaration with regard to Audit Reports on Standalone & Consolidated Financial Results for the year ended March 31, 2019 with unmodified opinion to the Stock Exchanges.

ii) Separate posts of Chairman and Chief Executive Officer (CEO)

Separate persons have been appointed as Chairman and Chief Executive Officer of the Company.

iii) Reporting by internal auditor

The internal auditor reports directly to the Audit Committee.

7. GENERAL BODY MEETINGS / POSTAL BALLOT

Location and time where last three AGMs were held:

Sr. No.	Date	Location	Time	Special Resolution passed
1.	September 21, 2018	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	2.15 p.m.	1) Re-appointment of Dr. B. Samal as Executive Chairman. 2) Resolution for fixation of fee for delivery of document through a particular mode. 3) Raising of funds through issuance of Equity Shares and / or other convertible securities including debentures by way of Preferential Allotment / QIP Issue upto a limit of INR 50 Crores
2.	September 23, 2017	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	2.15 p.m.	Nil
3.	September 16, 2016	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	2.30 p.m.	Nil

8. OTHER DISCLOSURES:

a) Related Party Transactions:

All transactions entered into by the Company with related parties, during the financial year 2018-19, were in ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Note No. 40 to Financial Statements forming part of this Annual Report.

Also, the Related Party Transactions undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013 read with the Rules issued thereunder and Regulation 23 of the Listing Regulations. The Audit Committee, during the financial year 2018-19, has approved Related Party Transactions in line with the Policy of dealing with Related Party Transactions and the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The policy on Related Party Transactions has been placed and can be accessed on the Company's weblink: (http://www.iitlgroup.com/newStatic/Related_Party_Transaction_Policy.pdf).

b) No penalties or strictures have been imposed on the Company by SEBI, Stock Exchanges or any other statutory authority, for non-compliance of any laws, on any matter related to the capital markets, during the last three years.

c) The Company has complied with all applicable mandatory requirements in terms of SEBI Listing Regulations. A report on compliances on the applicable laws for the Company is placed before the Board on a quarterly basis for its review.

d) Review of Directors' Responsibility Statement

The Board in its Report to the Members of the Company have confirmed that the Annual Accounts for the year ended March 31, 2019 have been prepared as per applicable Indian Accounting Standards (IND AS) and policies and that sufficient care has been taken for maintaining adequate accounting records.

e) The Company has obtained a Certificate from M/s Chandanbala Jain & Associates, Company Secretaries that none of Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by Board / Ministry of Corporate Affairs or any such statutory authority. The requisite certificate is enclosed to the Report on Corporate Governance as "**Annexure - B**".

f) The Board of Directors of the Company has accepted the all recommendations made by all the Committees.

g) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to Statutory Auditor, M/s Chaturvedi & Shah LLP, Chartered Accountants, for the year ended March 31, 2019 are as under:

Particulars	**(Amount ₹ in Lacs)**
Audit Fees	10.00
Taxation Matters	--
Company Law Matters	--
Other Services	12.50
Out of Pocket Expenses	--
GST Expenses	2.69
Total	**25.19**

h) Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	**Particulars**	**No. of complaints**
1.	Number of complaints filed during FY 2018-2019	Nil
2.	Number of complaints disposed off during FY 2018-2019	Nil
3.	Number of complaints pending as on end of FY 2018-2019	Nil

i) Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under Regulation 32(7A)

The company does not have funds raised through preferential allotment and / or QIP which are unutilised.

9. MEANS OF COMMUNICATION

a) Quarterly and annual financial results of the Company are forwarded to BSE Limited and The National Stock Exchange of India Limited and published in Free Press Journal (English) and Navshakti (Marathi). Half yearly report is not sent to each shareholder. However, the results of the Company are published in the newspapers.

b) The Company has not made any presentation to any institutional investor or to any analyst during the year.

c) Management Discussion and Analysis Report forms part of the Directors' Report.

d) The Company has its website namely www.iitlgroup.com. Annual Report of the Company shall be available on the website in a user friendly and downloadable form. The quarterly / half yearly results are also available on the Company's website.

10. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date & Time : Saturday, September 21, 2019 at 2.15 p.m.
Venue : M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg Mumbai 400 001.

b) Financial Year : 2019-2020

Adoption of Quarterly Results for

Quarter ending	In the month of **(Tentative)**
June 2019	: On or before August 14, 2019*
September 2019	: On or before November 14, 2019
December 2019	: On or before February 14, 2020
March 2020 (Audited annual results)	: On or before May 30, 2020

* Held on August 19, 2019

c) **Book Closure period** : September 14, 2019 to September 21, 2019

d) **Listing on Stock Exchange** : BSE Limited, Dalal Street, Mumbai 400 001

The National Stock Exchange of India Limited (NSE) BKC, Bandra (E), Mumbai 400051

Listing fees, as prescribed, have been paid to the BSE and NSE up to March 31, 2019.

e) **Stock Code at BSE** : 501295

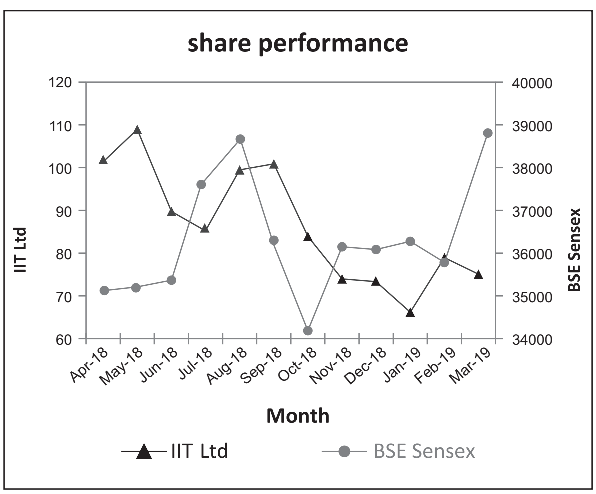
NSE Stock Symbol : IITL

f) **Stock price data at the BSE and NSE**

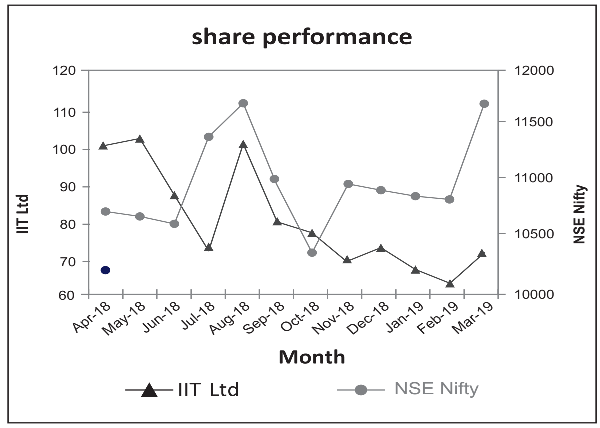
Month	BSE			NSE		
	High (₹)	Low (₹)	Close (₹)	High (₹)	Low (₹)	Close (₹)
April, 2018	119.00	97.75	103.00	127.25	95.00	103.00
May, 2018	139.45	95.05	109.65	139.80	101.00	103.50
June, 2018	104.20	85.55	90.00	101.85	82.20	88.95
July, 2018	95.00	78.00	85.00	88.75	71.75	73.00
August, 2018	103.60	77.30	99.05	102.90	76.65	101.15
September, 2018	103.95	93.90	100.95	105.95	81.50	81.70
October, 2018	95.95	84.95	84.95	92.00	75.00	77.00
November, 2018	88.80	74.50	74.50	87.90	68.05	70.00
December, 2018	78.20	66.00	74.25	80.00	66.55	74.95
January, 2019	75.00	65.90	65.90	75.00	65.55	68.90
February, 2019	78.50	62.75	78.25	73.45	57.55	63.25
March, 2019	75.65	68.30	75.65	76.95	60.35	73.75

g) **Graph**

Share Price / BSE (Monthly Closing)



Share Price / NSE (Monthly Closing)



h) **Registrar and Transfer Agents**
Link Intime India Private Limited
C - 101, 247 Park, LBS Marg, Vikhroli West,
Mumbai - 400 083. Tel. No.: 022 49186000 / 49186270

i) **Share Transfer System**

The transfer of shares held in physical mode is processed by Link Intime India Private Limited and is approved by the Stakeholders Relationship Committee / CEO & Company Secretary of the Company as the case may be. The transfer of shares is effected and share certificates are dispatched within a period of 15 days from the date of receipt, provided that the relevant documents are complete in all respects.

j) **Details of Shares transferred to IEPF Authority during 2018-19**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividends, if not claimed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”). In pursuance to IEPF Rules, 10745 Shares constituting 25 Folios were transferred to IEPF Authority during 2018-19.

The voting rights on the shares outstanding in the IEPF Authority as on March 31, 2019 shall remain frozen till the rightful owner of such shares claims the shares.

k) **Distribution of shareholding as on March 31, 2019**

Grouping of Shares	No. of Share-holders	% of total share-holders	No. of Shares per Category	% of total shares
1 – 500	1546	76.19	2,24,242	1.00
501 – 1000	191	9.41	1,64,548	0.73
1001 – 2000	119	5.87	1,84,687	0.82
2001 – 3000	59	2.91	1,51,852	0.67
3001 – 4000	16	0.79	57,287	0.25
4001 – 5000	27	1.33	1,31,395	0.58
5001 – 10000	35	1.73	2,59,046	1.15
10001 – 22547550	36	1.77	2,13,74,493	94.80
TOTAL	**2029**	**100.00**	**2,25,47,550**	**100.00**

Shareholding pattern as on March 31, 2019

Category	No. of shares held	% of shareholding
Promoters	94,32,067	41.83
Foreign Company	-	-
Non Resident Indian (Non Repat & Repat)	35,124	0.15
Foreign Institutional Investors	-	-
Insurance Companies	11,92,248	5.29
Financial Institutions / Banks	69,980	0.31
Mutual Funds	-	-
Central Government / State Government(s)	46,396	0.21
Resident Individuals	13,45,570	5.97
Clearing Member	11,631	0.05
Trusts	47,767	0.21
Other bodies corporate	2,38,314	1.06
Hindu Undivided Family	80,967	0.36
NBFCs registered with RBI	154	0.00
Investor Education And Protection Fund Authority Ministry of Corporate Affairs	2,69,782	1.20
Shares held by custodians and against which Depository Receipts have been issued	97,77,550	43.36
TOTAL	**2,25,47,550**	**100.00**

l) Dematerialisation

The Company has entered into agreements with National Security Depository Limited and Central Depository Services (India) Limited for the dematerialisation of shares. As on March 31, 2019, a total of 2,20,42,440 shares, which forms 97.76% of the share capital of the Company stands dematerialized and 5,05,110 shares which forms 2.24% of the share capital are in physical form.

m) Outstanding GDRs / ADRs / Warrants or any convertible instruments

On June 15, 2012, the Company had issued 48,88,775 Global Depositary Receipts (GDRs), each GDR representing two Equity Shares of ₹ 10/- each. The GDRs issued by the Company are listed on the Luxembourg Stock Exchange. As on March 31, 2019, the total outstanding GDRs stood at 48,88,775.

Outstanding GDRs as on March 31, 2019 represent 97,77,550 Equity Shares constituting 43.36 % of Company's paid-up Equity Share Capital. Each GDR represents two underlying equity shares in the Company. GDR is not a specific time-bound instrument and can be surrendered at any time and converted into the underlying equity shares in the Company. The shares so released in favour of the investors upon surrender of GDRs can either be held by investors concerned in their name or sold off in the Indian secondary markets for cash. To the extent the shares so sold in Indian markets, GDRs can be reissued under the available head-room.

n) Commodity price risk and foreign exchange risk and hedging activities

The Company is not exposed to any commodity price / foreign exchange risk. No hedging activities were carried out by the Company during the financial year 2018-2019.

o) Plant Location

The Company does not have a manufacturing plant.

p) Address for Correspondence

Shareholders can correspond with the Registrars & Share Transfer Agents or at the Registered Office of the Company.

Address of the Registrar & Share Transfer Agents

Link Intime India Private Limited
C - 101, 247 Park,
LBS Marg, Vikhroli West,
Mumbai - 400 083
Tel. No.: 022 49186000 / 49186270

For the convenience of the investors, transfer requests are also accepted at the Registered Office of the Company.

Address of Registered Office

14 E Rajabahadur Mansion, 2nd Floor
28, Bombay Samachar Marg,
Fort, Mumbai - 400 001

Contact Person
Ms. Cumi Banerjee - CEO & Company Secretary
Tel. No.: 022 4325 0100

q) Credit Rating

The Company has not obtained any Credit Ratings during the year ended March 31, 2019

Certificate on Corporate Governance

As required in Schedule V of the Listing Regulations, a Certificate on Corporate Governance issued by M/s Chandanbala Jain & Associates, Practicing Company Secretaries (CP No. 6400) is published as "**Annexure - C**" to this Report.

Declaration on Compliance with Code of Conduct

It is hereby affirmed that all the directors and the senior management personnel have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the Directors and senior management personnel.

On behalf of the Board of Directors

Dr. B. Samal
Chairman
(DIN: 00007256)

Place : Mumbai
Date: August 19, 2019

Annexure A

CERTIFICATE
[UNDER REGULATION 17 (8) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

To,

The Board of Directors
Industrial Investment Trust Limited
Mumbai

This is to certify that:

a) We have reviewed financial statements and the cash flow statements for the year and that to the best of our knowledge and belief :

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee

(i) significant changes, if any, in internal control during the year;

(ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) We have not come across any instances of fraud or fraudulent activities during the year.

Dr. B Samal	Cumi Banerjee	Hemang Ladani
Chairman	CEO & Company Secretary	Chief Financial Officer

Place : Mumbai
Date : May 23, 2019

Annexure B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of
Industrial Investment Trust Limited
Rajabahadur Mansion, 2nd Floor
28 Bombay Samachar Marg
Fort, Mumbai 400 001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Industrial Investment Trust Limited having CIN L65990MH1933PLC001998 and having registered office at Rajabahadur Mansion, 2nd Floor, 28 Bombay Samachar Marg, Fort, Mumbai 400 001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2019, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sr. No.	Name of the Director	DIN	Date of Appointment in Company
1	Dr. Bidhubhusan Samal	00007256	05.03.2008
2	Mr. Bipin Agarwal	00001276	08.01.2008
3	Mr. Venkatesan Narayanan	00765294	18.05.2009
4	Mr. Deb Kumar Banerjee	07326051	07.11.2015
5	Ms. Sujata Chattopadhyay	02336683	26.09.2017
6	Mr. Milind S. Desai	00326235	12.02.2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Chandanbala Jain & Associates
Practicing Company Secretaries

Chandanbala O. Mehta
Proprietor
FCS No. 6122, C P No. 6400

Place: Mumbai
Date: August 19, 2019

Annexure C

Auditors’ Certificate on Corporate Governance

The Members of
Industrial Investment Trust Limited
Rajabahadur Mansion, 2nd Floor
28 Bombay Samachar Marg
Fort, Mumbai 400 001

We have examined the compliance of conditions of Corporate Governance by Industrial Investment Trust Limited, for the year ended on March 31, 2019, as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”).

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Chandanbala Jain & Associates**
Practicing Company Secretaries

Chandanbala O. Mehta
Proprietor

FCS No. 6122, C P No. 6400
Place: Mumbai
Date: August 19, 2019

INDUSTRIAL INVESTMENT TRUST LIMITED

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF INDUSTRIAL INVESTMENT TRUST LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Industrial Investment Trust Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss including the Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and notes to the financial statements, including the 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 (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, 2019, its loss including total comprehensive income, the changes in equity 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 Standalone 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 ("the 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 Standalone Financial Statements.

Emphasis of Matter

a) We draw attention to Note no 42 of Standalone Financial Statements. As stated in the note, the management of the Company is of the view that, although the net-worth of Future Generali India Life Insurance Company ("FGILICL"), a Joint Venture of the Company, as at March 31, 2019 has substantially eroded, there is no diminution other than temporary in the value of investment of the Company in FGILICL as at March 31, 2019.

b) We draw attention to Note no 46 of the Standalone Financial Statements regarding investment in its subsidiary IITL Projects Limited. The subsidiary is incurring continuous losses and the net worth of the subsidiary is negative as on March 31, 2019. The Management of the company is of the view, for the reasons stated in the note, that impairment of Rs. 475.09 lakhs towards equity investment as at March 31, 2019 is considered adequate and company has fully provided for loss of Rs. 4002.27 lakhs on account of change in fair value of preference shares as at March 31, 2019.

c) We draw attention to Note no 46 of the Standalone Financial Statements regarding investment in its jointly controlled entity Capital Infra Projects Limited. The Management is of the view, for the reasons stated in the note about the adverse cash flow of the joint venture, its ability to continue as going concern is uncertain. The Company has fully provided for loss of Rs. 1610.09 lakhs on account of change in fair value of preference shares as at March 31, 2019.

d) We draw attention to Note no 47 of Standalone Financial Statements. The Company had received letter from the Reserve Bank of India (RBI) dated June 25, 2018. Vide said letter, the RBI has prohibited the Company not to expand its credit/investment portfolio other than investment in Government Securities till net NPAs are brought down to below 5%.

The Board of the Company in its meeting held on August 13, 2018 discussed and deliberated on the issues raised by RBI. The Board of the Company drew an action plan for the same and submitted response to the RBI accordingly.

Our opinion is not modified in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How Key Audit Matter was addressed in our Audit
Carrying Value of Investment (Refer Note 2 (i) "Financial Instrument" and Note 7 and Note 46 of the Standalone Financial Statements) The investment portfolio is valued at Rs. 4332015.58 (in thousands) which represents almost 93.78% of the total assets of the Company as at March 31, 2019. The Impairment review of unquoted investment is considered to be risk area due to the size of the balances as well as the judgmental nature of key assumptions which may be subject to management override. The carrying value of such unquoted investment instrument is at risk of recoverability. The net worth of the underlying entity has significantly eroded. The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows and there is limited headroom available.	i. Reviewed the Accounting Policies used by the Company for accounting and disclosing Investments for compliance with the accounting framework. ii. Evaluating the valuation methodology recommended by the valuation expert. iii. Assessed the adequacy of internal controls, evaluated the design and tested the operating effectiveness of such controls for initial recognition, subsequent measurement and disclosure of investments as on the reporting date as per applicable regulations. iv. Evaluating Sensitivity analysis by Performing sensitivity analysis in relation to the key assumptions. v. We also assessed whether the disclosures in relation to investments are compliant with the relevant Indian accounting requirements. Based on the above procedure performed, the management's assessment in respect of impairment risk of investment is considered to be reasonable.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements 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 in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Management's Responsibility 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 including other comprehensive income, change in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of 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 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 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 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 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 Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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.

Other Matters

The comparative financial information for the transition date opening balance sheet as at April 1, 2017 prepared in accordance with Ind AS included in these Standalone Financial Statements, is based on the previously issued statutory financial statements for the year ended March 31, 2017 prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Standalone Financial Statements for the year ended March 31, 2017 were audited by the predecessor auditor whose audit report dated May 30, 2017 expressed an unmodified opinion on those standalone financial statements. The standalone financial statements for the year ended March 31, 2017 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. We have audited these adjustments made by the management.

Further, the Company had prepared a separate set of Standalone Financial Statements for the year ended March 31, 2018 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued our audit report dated May 29, 2018. These Standalone Financial Statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. We have audited these adjustments made by the management.

Our opinion on the Standalone Financial Statements is not modified in respect of this the above matters on the comparative financial information.

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 appears from our examination of those books;
   c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity 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 Indian accounting standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   e) On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31 , 2019, from being appointed as a director 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 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 has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements as referred to in Note 32 to the Standalone Financial Statements;
      ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration no. 101720W/W100355

Amit Chaturvedi

Partner

Membership No.: 103141

Mumbai, May 23, 2019

“Annexure A” to the Independent Auditors’ Report on the Standalone Financial Statements of Industrial Investment Trust Limited (Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)

i) a) The Company has maintained proper records showing fullParticularsincluding quantitative details and situation of fixed assets.

b) The Company has a regular programme for physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) In our opinion and according to the information and explanations given to us, title deeds of immovable properties are held in the name of the company.

ii) As the Company had no Inventories during the year, clause (ii) of paragraph of 3 of the order is not applicable to the Company.

iii) The Company has granted loans, secured or unsecured to companies, firm or other parties covered in the register maintained under Section 189 of the Act in respect of which :

a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company’s interest.

b) The schedule of repayment of principal and payment of interest has been stipulated but in some cases repayments of principal amounts and receipt of interest are not regular.

c) In respect of amount of Rs 19,27,94,964 of principal amount of loan given to two parties, which is overdue for more than 90 days, as explained to us, the Management has taken reasonable steps for recovery of the principal amount and interest.

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 and hence not commented upon.

v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act.

vii) In respect of Statutory dues :

a According to the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable.

b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax , Goods and Service Tax, Cess on account of any dispute, which have not been deposited.

c) According to the information and explanations given to us, the dues outstanding of income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Goods and Service Tax, Cess which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of disputed dues	Amount under dispute	Amount paid	Period to which the amount relates	Forum under which the dispute is pending
Wealth Tax Act , 1957	Wealth Tax	32,50,246	Nil	AY 1997-98	Mumbai High Court

viii) The company has not raised loans from Financial Institutions or Banks or by issue of debentures and hence Clause (viii) of paragraph 3 of the Order are not applicable to the Company.

ix) The company has not raised money by way of Initial Public offer or Further Public offer or term Loan and hence Clause (ix) of paragraph 3 of the Order are not applicable to the Company.

x) In our opinion and according to the information and explanations given to us, no fraud on the Company by its officers or employees has been noticed or reported during the year.

xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii) In our opinion company is not a chit fund/nidhi. Therefore, the provisions of clause (xii) of paragraph 3 of the orders are not applicable to the company.

xiii) In respect of transaction with related party, In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the Standalone Financial Statements, as required by the applicable accounting standards.

xiv) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 is not applicable to the company.

xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transaction with the directors or persons connected with him and hence clause (xv) of the paragraph 3 is not applicable to the company.

xvi) To the best of our knowledge and as explained, the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration no. 101720W/W100355

Amit Chaturvedi
Partner
Membership No.: 103141

Mumbai, May 23, 2019

"Annexure B" to Independent Auditors' Report on the Standalone Financial Statements of Industrial Investment Trust Limited (Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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

We have audited the Internal Financial Control over financial reporting of Industrial Investment Trust Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year then ended March 31, 2019.

Management Responsibility for the Internal Financial Controls

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.

Auditor's Responsibility

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, issued by ICAI and 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.

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 standalone financial statements, whether due to fraud or error.

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

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 standalone 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

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

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 March 31, 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 issued by the Institute of Chartered Accountants of India ("ICAI").

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration no. 101720W/W100355

Amit Chaturvedi
Partner
Membership No.: 103141

Mumbai, May 23, 2019

BALANCE SHEET AS AT MARCH 31, 2019

(₹ in '000)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
ASSETS				
I. Financial assets				
Cash and cash equivalents	3	14,108.08	3,568.66	2,760.90
Bank balances other than above	4	116,885.94	36,656.98	25,057.56
Receivables	5			
(i) Other receivables		1,144.60	809.48	3,385.10
Loans	6	44,264.09	100,041.80	806,681.05
Investments	7	4,332,015.58	4,796,690.16	4,340,793.54
Other financial assets	8	52.80	1,289.07	1,120.00
		4,508,471.09	**4,939,056.15**	**5,179,798.15**
II. Non-Current Assets Classified as held for sale	9	67.36	-	22.03
III. Non-financial assets				
Current tax assets (net)	10	22,366.33	15,834.12	29,123.60
Deferred tax assets (net)	11	61,577.85	61,544.13	21,344.92
Investment property	12	-	69.96	73.60
Property, plant and equipment	13	3,382.35	3,742.57	4,341.44
Other non-financial assets	14	23,119.99	18,660.35	13,509.52
		110,446.52	**99,851.13**	**68,393.08**
Total Assets		**4,618,984.97**	**5,038,907.28**	**5,248,213.26**
LIABILITIES AND EQUITY				
I. LIABILITIES				
Financial Liabilities				
Payables	15			
(i) Trade payables				
- total outstanding dues of micro enterprises and small enterprises		-	-	-
- total outstanding dues of other than micro enterprises and small enterprises		1,978.00	1,782.21	2,170.82
Borrowings (other than debt securities)	16	-	-	297.93
Other financial liabilities	17	2,359.07	2,954.52	3,557.56
		4,337.07	**4,736.73**	**6,026.31**
Non-financial Liabilities				
Current tax liabilities (net)	18	25.50	25.50	25.50
Provisions	19	6,913.73	6,990.06	7,165.10
Other non-financial liabilities	20	73,642.39	52,503.37	3,225.06
		80,581.62	**59,518.93**	**10,415.66**
II. EQUITY				
Equity Share Capital	21	225,475.50	225,475.50	225,475.50
Other equity	22	4,308,590.78	4,749,176.12	5,006,295.79
		4,534,066.28	**4,974,651.62**	**5,231,771.29**
Total Liabilities and Equity		**4,618,984.97**	**5,038,907.28**	**5,248,213.26**

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report attached
For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

AMIT CHATURVEDI
Partner
Membership No. 103141

Mumbai: May 23, 2019

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 23, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in '000)

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from Operations			
Interest income	23	175,884.88	146,351.55
Others	24	85,292.24	77,551.81
Total revenue from operation		261,177.12	223,903.36
Other income	25	52.10	1,586.95
Total Income		**261,229.22**	**225,490.31**
Expenses			
Finance costs	26	-	6.60
Net loss on fair value changes	27 (a)	561,236.47	-
Impairment on financial instruments	27 (b)	101,059.49	410,554.10
Employee benefits expenses	28	12,522.77	13,548.32
Depreciation, amortization and impairment	29	597.53	624.85
Other expenses	30	26,679.82	87,909.64
Total Expenses		**702,096.08**	**512,643.51**
Profit/(loss) before tax		**(440,866.86)**	**(287,153.20)**
Tax expenses	31		
Current tax		-	6,687.39
Deferred tax		(98.15)	(35,637.21)
		(98.15)	**(28,949.82)**
Profit/(Loss) after tax		**(440,768.71)**	**(258,203.38)**
Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability/asset		(247.80)	(1,083.71)
Tax on remeasurement of defined benefit		64.43	-
Other comprehensive income		**(183.37)**	**(1,083.71)**
Total comprehensive income for the year		**(440,585.34)**	**(257,119.67)**
Earning per Equity Shares of ₹ 10 each			
- Basic and Diluted		(19.55)	(11.45)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

In terms of our report attached
For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

AMIT CHATURVEDI
Partner
Membership No. 103141

Mumbai: May 23, 2019

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 23, 2019

STATEMENT OF CHANGES IN EQUITY

(A) Share capital (₹ in '000)

	Equity Share Capital
As at April 1, 2017	225,475.50
Changes in equity share capital	-
As at March 31, 2018	225,475.50
Changes in equity share capital	-
As at March 31, 2019	225,475.50

(B) Other equity

Reserve and Surplus (₹ in '000)

Particulars	Capital Reserve	Securities Premium	General Reserve	Special Reserve	Retained earnings	Total
Opening balance						
Balance as at April 1, 2017	0.75	4,186,487.47	185,542.59	322,407.00	311,857.98	**5,006,295.79**
Changes in equity during the year						-
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	-	1,083.71	**1,083.71**
Profit/(Loss) for the year	-	-	-	-	(258,203.38)	**(258,203.38)**
Balance as at March 31, 2018	**0.75**	**4,186,487.47**	**185,542.59**	**322,407.00**	**54,738.31**	**4,749,176.12**
Balance as at April 1, 2018	0.75	4,186,487.47	185,542.59	322,407.00	54,738.31	**4,749,176.12**
Changes in equity during the year						
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	-	183.37	**183.37**
Profit/(Loss) for the year	-	-	-	-	(440,768.71)	**(440,768.71)**
Balance as at March 31, 2019	**0.75**	**4,186,487.47**	**185,542.59**	**322,407.00**	**(385,847.03)**	**4,308,590.78**

The above statement of change in equity should be read in conjunction with the accompanying notes.

In terms of our report attached
For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

AMIT CHATURVEDI
Partner
Membership No. 103141

Mumbai: May 23, 2019

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 23, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in '000)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(Loss) Before Tax	**(440,619.06)**	**(286,069.49)**
	Adjustments for:		
	Depreciation on property, plant and equipment	594.93	621.21
	Impairment of Property, Plant & equipment	33.91	-
	Depreciation on investment property	2.60	3.64
	Profit on sale of investment property (net)	-	(30,428.57)
	Reversal of contingent provision against standard assets	(19.95)	(172.48)
	Provision for sub-standard asset	53,550.00	410,554.10
	Reversal of provision for sub-standard asset	(84,300.00)	(36,480.00)
	Reversal of expected credit loss	(972.29)	(10,470.76)
	Loss on remeasurement of financial assets	561,236.47	63,767.66
	Preference share amortisation income	(144,071.37)	(118,757.70)
	Provision for impairment on investment	47,509.49	-
	Finance cost	-	6.60
	Interest Income	(31,813.50)	(29,146.75)
	Operating profit/(loss) before working capital changes	**(38,868.77)**	**(36,572.54)**
	Changes in working capital		
	Other financial assets	1,236.27	(169.07)
	Other non-financial assets	226.71	(4.21)
	Dividend account balance with bank	580.17	618.32
	Trade payable	195.79	(388.61)
	Other non-financial liabilities	3,980.56	(577.09)
	Provisions	(56.38)	(2.55)
	Other adjustments :		
	Loans given :		
	Subsidiary - loan given	(1,800.00)	(7,500.00)
	Associates - loan given	-	(10,000.00)
	Loans realised :		
	Subsidiary - loan repaid	59,300.00	-
	Associates - loan repaid	30,000.00	11,500.00
	Interest received		
	Subsidiaries	-	-
	Associates	27,376.44	28,339.82
	Others	3,017.40	1,361.39
	Bank balances not considered as cash and cash equivalents		
	Placed	(191,514.78)	(82,750.37)
	Matured	110,705.65	70,532.63
	Cash generated/(used in) from operations	**4,379.06**	**(25,612.28)**
	Direct Tax paid/(refund)	(6,532.21)	3,592.98
	Net Cash inflow/(outflow) from operating activities	**(2,153.15)**	**(22,019.30)**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019 (Contd.)

(₹ in '000)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, plant and equipment	(268.62)	(22.34)
	Proceeds/advance received against sale of property	17,143.17	28,450.60
	Deposit placed against disputed property tax	(3,601.81)	(4,678.35)
	Net Cash inflow/(outflow) from investment activities	**13,272.74**	**23,749.91**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of long term borrowings	-	(297.93)
	Finance cost	-	(6.60)
	Dividend and tax on dividend paid	(580.17)	(618.32)
	Net Cash inflow/(outflow) from financing activities	**(580.17)**	**(922.85)**
	Net increase/(decrease) in cash and cash equivalents	**10,539.42**	**807.76**
	Cash and cash equivalents at the beginning of the year	3,568.66	2,760.90
	Cash and cash equivalents at the end of the year	**14,108.08**	**3,568.66**

Notes:

1. The above statement of cash flows should be read in conjunction with the accompanying notes.
2. Cash from operating activities has been prepared following the Indirect Method.

In terms of our report attached
For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

AMIT CHATURVEDI
Partner
Membership No. 103141

Mumbai: May 23, 2019

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 23, 2019

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.1 Corporate Information

Industrial Investment Trust Limited (the Company) is a Public Company incorporated under the provisions of the Companies Act,1956. The Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with the Reserve Bank of India. The Company has been classified as an Investment Company.

1.2 Significant Accounting Policies

a) Basis of preparation

These financial statements are Separate Financial Statements as per Ind AS 27 - Separate Financial Statements and are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended till date and notification issued by Ministry of Corporate affairs on October 11, 2018 issued Division III of Schedule III, which provides the format for financial statements of Non-Banking Financial Companies, as defined in the Companies (Indian Accounting Standards) (Amendments) Rules 2016.

For all periods upto and including the year ended March 31, 2018 the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

The year ended March 31, 2019 is the first period for which the Company has prepared its financial statements in accordance with Ind AS. The previous period comparatives for the period ended March 31, 2018 which were earlier prepared as per the aforesaid Companies (Accounts) Rules, 2014 have been restated as per Ind AS to make them comparable. The date of transition to Ind AS is therefore April 1, 2017 for which the Opening Balance Sheet is prepared.

The Company follows the Systemically Important Non-Banking Financial (Non Deposit taking Company or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 as amended till date (RBI guidelines).

The financial statements have been prepared on a historical cost basis, except for the following:

a) certain financial assets and liabilities are measured at fair value; and

b) defined benefit plans - plan assets measured at fair value

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Recent Accounting Pronouncements

i) Implication of application of Ind AS 116

Ind AS 116 : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

The standard permits two possible methods of transition:

i) Full retrospective - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

ii) Modified retrospective - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

The Company is currently evaluating the effect of this amendment on the standalone financial statements.

The effect of adoption as on transition date would result in an increase in Right of Use asset and an increase in lease liability.

ii) Implementation of amendment to Ind AS 12

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 - Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

iii) Implementation of amendment to Ind AS 19

Amendment to Ind AS 19 - plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

i) to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

ii) to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

b) Use of Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

c) Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less depreciation. Cost of acquisition comprises its purchase price including import duties and other nonrefundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The residual useful life of Property, Plant and Equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates, depreciation methods, estimated useful lives and residual value. Depreciation on all assets of the Company is charged on straight line method over the useful life of assets mentioned in Schedule II to the Companies Act ,2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year.

The management's estimated useful life/useful life as per Schedule II whichever is lower for the various tangible assets are as follows.

Assets	Estimated Useful Life (Years)
Buildings	60 Years
Furniture and fixtures	10 Years
Computers	2-5 Years
Office Equipment	5 Years
Vehicles	8 Years

d) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortized cost using effective interest rate method less provision for impairment by applying expected credit loss.

e) Cash & Cash Equivalents

Cash and cash equivalents include cash in hand, cheques, drafts on hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less, balance in foreign currency travellers cards.

f) Investments

Investments in Subsidiaries / Associates / Joint venture are carried at cost in the separate financial statements less impairment, if any. Other Investments are carried at fair value.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

g) Non-Current Assets held for Sale

A Non Current Asset is classified as held for sale if its carrying amount will be recovered principally through sale rather than through its continuing use, is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale, it is highly probable that sale will take place within next 1 year and sale will not be abandoned.

h) Investment Property

The Company's Investment Property is initially recognised at cost comprising the purchase price and directly attributable transaction costs. Subsequently, it is measured at cost model which is cost less accumulated depreciation and any accumulated impairment losses, other than those which that meet the criteria and classified as held for sale.

i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets & Financial Liabilities

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in the Statement of Profit or Loss.

Subsequent measurement

After initial recognition, financial assets are measured at:

• fair value (either through other comprehensive income or through profit or loss), or

• amortized cost

Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset. The company classifies its debt instruments into three measurement categories:

Amortized Cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the period in which it arises. Interest income from these financial assets are recognized in the Statement of profit and loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Equity instruments

Equity investments (in scope of Ind AS 109) are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same as at either fair value through other comprehensive income (FVTOCI) or FVTPL.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Impairment of Financial Assets

The Company follows twelve month ECL or life time ECL based on the increase in credit risk of the financial assets. However the Company shall provide for non-performing assets as per RBI guidelines.

Derecognition of Financial Assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset, in such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Income Recognition

Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset except in case of non-perming assets, where it is recognised upon realisation, as per RBI guidelines.

<u>**Financial Liabilities:**</u>

Initial recognition and measurement

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/origination of the financial liability.

Subsequent Measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

k) Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

If the effect of the time value of money is material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets

Contingent asset is disclosed when there would be a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

l) Employee Benefit Expense

i) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

In case of non-accumulating compensated absences, when the absences occur.

ii) Long-term employee benefits

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

m) Leases

<u>Operating lease</u>

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating lease. Operating lease payments, as per terms of the agreement, are recognised as an expense in the Statement of Profit and Loss on a straight line basis in accordance with Ind AS 17.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

n) Taxes

Current taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxation

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity

MAT Credit

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the statement of profit and loss and corresponding debit is done to the deferred tax asset as unused tax credit.

o) Earnings per share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Other revenue recognition

(i) Rental income is accrued on the basis of the agreement.

(ii) Dividend income is accounted for when the right to receive it is established.

q) Foreign Currency Transactions:

Transactions in foreign currencies are translated to reporting currency based on the exchange rate on the date of the transaction. Exchange differences arising on settlement thereof during the year are recognized as income or expense in the Statement of Profit and Loss.

Cash and bank balances, receivables and liabilities (monetary items) in foreign currencies as at the year end are translated at closing date rates and unrealized translation differences are included in the Statement of Profit and Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 3 : Cash and cash equivalents (₹ in '000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Cash on hand		11.04	11.28	13.24
Balances with banks				
- In current accounts		2,867.23	3,510.58	2,742.11
- in deposit accounts with original maturity of less than 3 months		11,091.13	-	-
Cheques, drafts on hand		133.60	41.72	-
Others				
- Balance in foreign currency travellers cards		5.08	5.08	5.55
	Total	**14,108.08**	**3,568.66**	**2,760.90**

Note 4 : Bank balance other than above (₹ in '000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
In earmarked accounts - unpaid dividend accounts		2,359.07	2,939.24	3,557.56
In fixed deposit accounts		114,526.87	33,717.74	21,500.00
	Total	**116,885.94**	**36,656.98**	**25,057.56**

Note 5 : Other receivables (₹ in '000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Receivable considered good - secured		-	-	-
Receivable considered good - unsecured				
from related parties				
Interest accrued and due on standard loans		316.23	304.03	2,921.78
from others				
Interest accrued but not due on bank deposit		828.37	505.45	463.32
Receivable which have significant increase in credit risk		-	-	-
Receivable - credit impaired		-	-	-
	Total	**1,144.60**	**809.48**	**3,385.10**

Note 6 : Loans (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(A) At amortised cost			
Terms loans			
(a) Standard assets:			
to Subsidiary	-	-	50,000.00
to Entity jointly controlled by Subsidiaries	10,000.00	33,500.00	35,000.00
to Associates	18,500.00	-	-
(b) Sub-standard assets:			
to Subsidiary	-	57,500.00	364,800.00
to Entity jointly controlled by Subsidiaries	440,546.42	440,546.42	424,782.33
to Associates	-	25,000.00	25,000.00
Less: Expected Credit Loss Allowance	-	(972.29)	(11,443.05)
Less: Provision for Non-performing asset	(424,782.33)	(455,532.33)	(81,458.23)
	44,264.09	**100,041.80**	**806,681.05**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Notes 6 : Loans (contd.) (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(B) At fair value			
(i) Through Other Comprehensive Income	-	-	-
(ii) Through Profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total	**44,264.09**	**100,041.80**	**806,681.05**

Disclosures:

i) Details of loans and advances in the nature of loans to subsidiaries, associates, firms/companies in which directors are interested: (₹ in '000)

Name of the Company and relationship	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Subsidiaries			
IIT Insurance Broking and Risk Management Private Limited	-	57,500.00	50,000.00
IITL Projects Limited	-	-	364,800.00
Entities under significant influence			
Capital Infraprojects Private Limited	10,000.00	10,000.00	-
MRG Hotels Private Limited	-	23,500.00	35,000.00
IITL Nimbus The Express Park View	247,751.46	247,751.46	231,987.37
IITL Nimbus The Palm Village	30,000.00	30,000.00	30,000.00
IITL-Nimbus The Hyde Park Noida	162,794.96	162,794.96	162,794.96
Associates			
World Resorts Limited (refer note 35)	18,500.00	25,000.00	25,000.00
Total	**469,046.42**	**556,546.42**	**899,582.33**

ii) Details of Impairment Loss Allowance on loans and advances in nature of loans to subsidiaries, associates, firms/companies in which directors are interested: (₹ in '000)

Name of the Company and relationship	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Subsidiaries			
IIT Insurance Broking and Risk Management Private Limited	-	972.29	6,547.29
Entities under significant influence			
IITL Nimbus The Palm Village	-	-	4,895.76
Total	**-**	**972.29**	**11,443.05**
Movement in impairment loss allowances			
Balance at the beginning of the period	972.29	11,443.05	11,443.05
Movement in expected Credit loss allowances during the year	(972.29)	(10,470.76)	-
Provision at the end of the year	-	972.29	11,443.05

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Notes 6 : Loans (contd.)

iii) Provisions for non-performing assets (₹ in '000)

Name of the Company and relationship	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Subsidiaries			
IITL Projects Ltd	-	-	36,480.00
IIT Insurance Broking and Risk Management Private Limited	-	5,750.00	-
Entities jointly controlled by Subsidiaries			
IITL Numbus The Express Park View	231,987.37	231,987.37	23,198.74
IITL Nimbus The Hyde Park	162,794.96	162,794.96	16,279.50
IITL Nimbus The Palm Village	30,000.00	30,000.00	3,000.00
Associates			
World Resorts Limited	-	25,000.00	2,500.00
Total	**424,782.33**	**455,532.33**	**81,458.23**

iv) Other Information (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Loans			
At Amortised Cost			
(A)			
(i) Term loans	469,046.42	556,546.42	899,582.33
Total (A) - Gross	**469,046.42**	**556,546.42**	**899,582.33**
Less: Impairment loss allowance	-	(972.29)	(11,443.05)
Less:- Provision for Non-performing asset	(424,782.33)	(455,532.33)	(81,458.23)
Total (A) - Net	**44,264.09**	**100,041.80**	**806,681.05**
(B)			
(i) Unsecured	469,046.42	556,546.42	899,582.33
Total (B) - Gross	**469,046.42**	**556,546.42**	**899,582.33**
Less: Impairment loss allowance	-	(972.29)	(11,443.05)
Less:- Provision for Non-performing asset	(424,782.33)	(455,532.33)	(81,458.23)
Total (B) - Net	**44,264.09**	**100,041.80**	**806,681.05**
(C)			
(I) Loans in India			
(i) Others			
to subsidiary	-	57,500.00	414,800.00
to entity under significant influence	450,546.42	474,046.42	459,782.33
to associates	18,500.00	25,000.00	25,000.00
Total (C) - Gross	**469,046.42**	**556,546.42**	**899,582.33**
Less: Impairment loss allowance	-	(972.29)	(11,443.05)
Less:- Provision for Non-performing asset	(424,782.33)	(455,532.33)	(81,458.23)
Total (C) - Net	**44,264.09**	**100,041.80**	**806,681.05**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 7 : Investments

	Particulars	Face Value	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
			Holding Nos.	Amount (₹ in '000)	Holding Nos.	Amount (₹ in '000)	Holding Nos.	Amount (₹ in '000)
(A)	**Investment in Subsidiaries:**							
	Equity shares, quoted (at cost)							
	IITL Projects Limited	10	3,580,347	136,123.08	3,580,347	136,123.07	3,580,347	136,123.07
	Less: Impairment loss allowance (refer note 46)			(47,509.49)		-		-
				88,613.59		**136,123.07**		**136,123.07**
	Equity shares, unquoted (at cost)							
	IIT Investrust Limited	10	12,375,000	117,410.00	12,375,000	117,410.00	12,375,000	117,410.00
	IIT Insurance Broking and Risk Management Pvt Ltd	10	2,500,000	25,000.00	2,500,000	25,000.00	2,500,000	25,000.00
	IITL Corporate Insurance Service Private Limited	10	250,000	2,500.00	250,000	2,500.00	250,000	2,500.00
	Preference shares, Unquoted (at FVTPL)							
	IITL Projects Limited	10	7,000,000	-	7,000,000	348,023.72	7,000,000	302,629.32
	Total (A)			**233,523.59**		**629,056.79**		**583,662.39**
(B)	**Investment in associate**							
	Equity shares, unquoted (at cost)							
	World Resorts Limited	10	13,018,125	155,181.25	13,018,125	155,181.25	13,018,125	155,181.25
	Preference shares, Unquoted (at amortised cost)							
	World Resorts Limited	10	10,000,000	543,310.74	10,000,000	472,444.12	5,000,000	201,949.90
	Total (B)			**698,491.99**		**627,625.37**		**357,131.15**
(C)	**Investment in joint venture**							
	Equity shares, unquoted (at cost)							
	Future Generali India Life Insurance Company Limited	10	326,700,000	3,400,000.00	326,700,000	3,400,000.00	326,700,000	3,400,000.00
	Preference shares, Unquoted (at FVTPL)							
	Capital Infraprojects Private Limited	10	10,849,120	-	10,849,120	140,008.00	-	-
	Total (C)			**3,400,000.00**		**3,540,008.00**		**3,400,000.00**
(D)	**Other Investments**							
	Equity Shares (at FVTPL)							
	Reliance Media Works Limited		10,000	-	10,000	-	10,000	-
	Reliance Broadcast Network Limited		10,000	-	10,000	-	10,000	-
	SQL Star International Limited *		547,677	-	547,677	-	547,677	-
	Chennai Super King Cricket Limited	10	5,695	-	-	-	-	-
	Total (D)			**-**		**-**		**-**
	Total (A+B+C+D)			**4,332,015.58**		**4,796,690.16**		**4,340,793.54**

* Listed but unquoted as scrip has been suspended due to penal reasons.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 7 : Investments (contd.)

Impairment loss allowance in the value of Investments till date in shares in respect of the above companies is as follows:-

(₹ in '000)

Name of the Company	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Other Investments			
Reliance Media Works Limited	3,668.33	3,668.33	3,668.33
Reliance Broadcast Network Limited	1,794.34	1,794.34	1,794.34
SQL Star International Limited	22,685.54	22,685.54	22,685.54
Total	**28,148.22**	**28,148.22**	**28,148.22**

Aggregate value of Investments

Name of the Company	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Aggregate book value of quoted investments	88,613.59	136,123.07	136,123.07
Aggregate market value of quoted investments	78,051.56	50,303.88	92,193.94
Aggregate book value of unquoted investments	4,243,401.99	4,660,567.09	4,204,670.47
Aggregate book value of listed but unquoted investments	-	-	-
Total	**4,332,015.58**	**4,796,690.16**	**4,340,793.54**

Disclosures

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) At Cost			
Equity Instruments			
Subsidiaries	281,033.08	281,033.07	281,033.07
Associate	155,181.25	155,181.25	155,181.25
Joint Ventures	3,400,000.00	3,400,000.00	3,400,000.00
Others	-	-	-
	3,836,214.33	**3,836,214.32**	**3,836,214.32**
(ii) At Amortised Cost			
Preference shares, Unquoted			
World Resorts Limited	543,310.74	472,444.12	201,949.90
	543,310.74	**472,444.12**	**201,949.90**
(iii) At Fair Value through Other Comprehensive Income	-	-	-
(iv) At Fair Value through Profit or Loss			
Preference shares, Unquoted			
IITL Projects Limited	-	348,023.72	302,629.32
Capital Infraprojects Private Limited	-	140,008.00	-
	-	**488,031.72**	**302,629.32**
Total (A) - Gross	**4,379,525.07**	**4,796,690.16**	**4,340,793.54**
Impairment loss allowance	47,509.49	-	-
Total (B)	**47,509.49**	**-**	**-**
Total (C) = (A) - (D)	**4,332,015.58**	**4,796,690.16**	**4,340,793.54**
(i) Investments outside India	-	-	-
(ii) Investments in India	4,332,015.58	4,796,690.16	4,340,793.54
Total	**4,332,015.58**	**4,796,690.16**	**4,340,793.54**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 7 : Investments (contd.)

Details of investments subsidiary/ joint venture/ associate (at cost):

IITL Projects Limited
This company was incorporated on 26.10.1994 under the provision of the Companies Act, 1956. It was acquired in the year 2008. The company is engaged in real estate business, construction of residential complexes in the National Capital Region. Apart from constructing its own project, the Company is undertaking development of real estate projects through Special purpose vehicles (SPV). The company holds around 50% of the capital in each of the SPV. A total of four SPV are engaged in construction of the residential complexes. IITL hold 71.74% of shares in it.

IIT Investrust Limited
This company is incorporated on 31.12.1992 under the provision of the Companies Act, 1956. The company is in the business of Stock broking, depository services and arbitrage. IITL hold 99% of shares in the Company.

IIT Insurance Broking and Risk Management Pvt Ltd
This company was incorporated on 25.09.2008 under the provision of the Companies Act, 1956. The company is in the business of insurance agents and brokers. It is wholly owned subsidiary of Industrial Investment Trust Limited.

IITL Corporate Insurance Service Private Limited
This company was incorporated on 22.01.2014 under the provision of the Companies Act, 1956. The company was registered for the purpose of carrying out as a corporate agent. The Company till date, has not commenced its business. It is wholly owned subsidiary of Industrial Investment trust Limited.

Future Generali India Life Insurance Company Limited (FGIL)
FGIL is in the business of Life Insurance Sector and registered with Insurance Regulatory Development Authority of India. The Company had acquired 22.5% equity shares in the year 2014, however as on balance date, the Company hold 17.73% equity shares of FGIL. It is Joint Venture Company.

World Resort Limited (WRL)
WRL was incorporated on 27.04.1995 under the provision of the Companies Act, 1956. The Company had acquired 25% equity shares in the year 2012. WRL is in the business of Hospitality Sector. It is an Associate Company.

Note 8 : Other financial assets

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Security deposits	41.50	41.50	190.09
Other receivables	11.30	1,247.57	929.91
Total	**52.80**	**1,289.07**	**1,120.00**

Note 9 : Non- Current Asset Held for Sale

During the financial year 2016-2017, the Company decided to recover carrying amount of it's office units through sale. Accordingly carrying amount of the following asset was classified as Non-Current assets held for Sale on the transition date.

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Office units	67.36	-	22.03
Total carrying amount	**67.36**	**-**	**22.03**

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Fair Value Rate as per ready reckoner published by the Government authority	103,021	122,634	122,634

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 10 : Current tax assets (net) (₹ in '000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Advance payment of income tax (net)		22,366.33	15,834.12	29,123.60
	Total	**22,366.33**	**15,834.12**	**29,123.60**

Note 11 : Deferred tax assets (₹ in '000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Deferred tax liability on account of :				
- Depreciation and amortization due to timing difference		(144.69)	(237.07)	(188.08)
- Additional contribution to gratuity plan assets		(3.49)	-	-
Total Deferred tax liability		**(148.18)**	**(237.07)**	**(188.08)**
Deferred tax assets on account of :				
-Contingent Provision for against Standard Asset		29.98	61.88	79.24
-Contingent Provision for against Sub-Standard Asset		56,666.46	56,666.46	20,975.50
- Disallowance under sec 43B of Income Tax Act, 1961		467.59	490.85	478.27
Total Deferred tax assets		**57,164.03**	**57,219.20**	**21,533.01**
Net Deferred tax assets (A)		57,015.85	56,982.13	21,344.92
MAT Credit entitlement (B)		4,562.00	4,562.00	-
	Total (a+b)	**61,577.85**	**61,544.13**	**21,344.92**

The Company has recognised deferred tax assets on provision against sub-standard assets & standard assets, disallowance under income tax act only. On prudent basis, deferred tax assets has not been recognised on the tax loss & unabsorbed depreciation.

Movement in deferred tax balances (₹ in '000)

Particulars	As at March 31, 2018	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2019
Deferred tax liability on account of :				
- Depreciation and amortization due to timing difference	(237.07)	92.38		(144.69)
- Additional contribution to gratuity plan assets	-	60.94	(64.43)	(3.49)
Total Deferred tax liability	**(237.07)**	**153.32**	**(64.43)**	**(148.18)**
Deferred tax assets on account of :				
- Contingent Provision for against Standard Asset	61.88	(31.90)		29.98
- Contingent Provision for against Sub-Standard Asset	56,666.46	-		56,666.46
- Disallowance under sec 43B of Income Tax Act, 1961	490.85	(23.26)		467.59
Total Deferred tax assets	**57,219.20**	**(55.16)**	**-**	**57,164.03**
Deferred tax assets (net)	**56,982.13**	**98.16**	**(64.43)**	**57,015.85**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 12 : Investment property (₹ in '000)

Particulars	Amount
Net carrying amount as of April 1, 2017	**73.60**
Gross carrying amount	
As at April 1, 2017	506.67
Additions	-
Deductions and adjustments	-
Impairment	-
As at March 31, 2018	**506.67**
Accumulated depreciation and impairment	
As at April 1, 2017	433.07
Depreciation charged during the year	3.64
Impairment loss	-
Disposals	-
As at March 31, 2018	**436.71**
Net carrying amount as of March 31, 2018	**69.96**
Gross carrying amount	
As at April 1, 2018	506.67
Additions	-
Deductions and adjustments	506.67
As at March 31, 2019	**-**
Accumulated depreciation and impairment	
As at April 1, 2018	436.71
Depreciation charged during the year	2.60
Deductions and adjustments	439.31
As at March 31, 2019	**-**
Net carrying amount As at March 31, 2019	**-**

The Company Investment Properties are initially recognised at cost comprising the purchase price and directly attributable transaction costs. Subsequently it is measured at cost model which is cost less accumulated depreciation and any accumulated impairment losses, other than those that meet the criteria and classified as held for sale.

The Company has 3 office units located at 15th Floor, Atlanta Premises Co-Operative Society Ltd, 209 Nariman Point, Mumbai - 400 021 Mumbai, India on balance sheet date.

The fair value as per ready reckoner published by the Government authority of the above property is as follow: (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Fair Value Rate as per ready reckoner published by the Government authority	103,020.60	122,634.00	122,634.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 13 : Property, plant and equipment (₹ in '000)

Particulars	Buildings	Furniture and fixtures	Computers	Office Equipment	Vehicles	Total
Net carrying amount as of April 1, 2017	**2,814.17**	**99.12**	**41.61**	**154.07**	**1,232.47**	**4,341.44**
Gross carrying amount						
As at April 1, 2017	9,100.00	363.92	647.21	1,525.32	4,254.16	15,890.61
Additions	-	-	10.33	12.00	-	22.33
Deductions and adjustments	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
As at March 31, 2018	**9,100.00**	**363.92**	**657.54**	**1,537.32**	**4,254.16**	**15,912.94**
Accumulated depreciation and impairment						
As at April 1, 2017	6,285.83	264.80	605.60	1,371.25	3,021.69	11,549.17
Depreciation charged during the year	135.23	26.98	19.37	52.05	387.57	621.20
Impairment loss	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at March 31, 2018	**6,421.06**	**291.78**	**624.97**	**1,423.30**	**3,409.26**	**12,170.37**
Net carrying amount as of March 31, 2018	**2,678.94**	**72.14**	**32.57**	**114.02**	**844.90**	**3,742.57**
Gross carrying amount						
As at April 1, 2018	9,100.00	363.92	657.54	1,537.32	4,254.16	15,912.94
Additions	-	-	140.14	135.06	-	275.20
Deductions and adjustments	-	-	84.34	623.66	-	708.00
As at March 31, 2019	**9,100.00**	**363.92**	**713.34**	**1,048.72**	**4,254.16**	**15,480.14**
Accumulated depreciation and impairment						
As at April 1, 2018	6,421.06	291.78	624.97	1,423.30	3,409.26	12,170.37
Depreciation charged during the year	128.73	19.47	95.37	85.70	265.65	594.92
Disposals	-	-	80.35	587.15	-	667.50
As at March 31, 2019	**6,549.79**	**311.25**	**639.99**	**921.85**	**3,674.91**	**12,097.79**
Net carrying amount As at March 31, 2019	**2,550.21**	**52.67**	**73.35**	**126.87**	**579.25**	**3,382.35**

Note 14 : Other non-financial assets (₹ in '000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Prepaid/Advance for expenses		603.42	2,262.62	2,286.14
Gratuity fund balance		13.41	34.22	6.49
Deposit placed against disputed property tax		21,049.86	16,363.51	11,216.89
Balance with government authorities		1,453.30	-	-
	Total	**23,119.99**	**18,660.35**	**13,509.52**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 15 : Payables (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) Trade payables			
total outstanding dues of micro enterprises and small enterprises	-	-	-
total outstanding dues of other than micro enterprises and small enterprises	1,978.00	1,782.21	2,170.82
	1,978.00	**1,782.21**	**2,170.82**
(ii) Other payables			
total outstanding dues of micro enterprises and small enterprises	-	-	-
total outstanding dues of other than micro enterprises and small enterprises	-	-	-
	-	**-**	**-**
Total	**1,978.00**	**1,782.21**	**2,170.82**

Disclosures requirement under section 22 of the Micro, Small & Medium Enterprises Development Act, 2006 (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
i) Principal amount and interest due thereon remaining unpaid to each supplier at the end of each accounting year	-	-	-
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year	-	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-	-

Note 16 : Borrowings (other than debt securities) (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
At amortised cost			
Other Loans			
Secured Loan			
Vehicle Loan	-	-	297.93
At fair value through profit or loss	-	-	-
Designated at fair value through profit or loss	-	-	-
Total	**-**	**-**	**297.93**
Borrowings in India	-	-	297.93
Borrowings outside India	-	-	-
Total	**-**	**-**	**297.93**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 16 : Borrowings (other than debt securities) (contd.)

Details of terms of repayment and security provided: **Kotak Mahindra Prime Limited**

Terms of Repayment:

Repayable in 35 Equated Monthly Installments (EMI) each of ₹ 76,133; Number of Installments outstanding as at March 31, 2019; Nil (As at March 31, 2018: Nil; As at April 1, 2017: 4). There was no default on repayment of Loan.

Security Provided: Secured by hypothecation of the vehicle purchased from the loan.

Measurement: Borrowings are measured at amortised Cost.

Net debt reconciliation : (₹ in ‘000)

Particulars	Secured loan	Total
Net debt as at April 1, 2017	**(297.93)**	**(297.93)**
Interest cost	(6.60)	(6.60)
Less: Repayment	304.53	304.53
Net debt as at March 31, 2018	-	-
Interest cost	-	-
Less: Repayment	-	-
Net debt as at March 31, 2019	-	-

Note 17 : Other financial liabilities (₹ in ‘000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Unclaimed dividends *		2,359.07	2,939.24	3,557.56
Salary payable		-	15.28	-
	Total	**2,359.07**	**2,954.52**	**3,557.56**

* Investor Education and Protection Fund is being credited as and when due.

Note 18 : Current tax liabilities (net) (₹ in ‘000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Income tax (net)		25.50	25.50	25.50
	Total	**25.50**	**25.50**	**25.50**

Note 19 : Provisions (₹ in ‘000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provision for employee benefits:				
- Compensated absences		1,798.44	1,854.82	1,857.37
Provision - Others:				
- Provision for contingency		5,000.00	5,000.00	5,000.00
- Provision against standard assets		115.29	135.24	307.73
	Total	**6,913.73**	**6,990.06**	**7,165.10**

Movement in provisions against standard assets			
Balance at the beginning of the period	135.24	307.73	307.73
Movement in provisions against standard assets during the year	(19.95)	(172.49)	-
Provision at the end of the year	**115.29**	**135.24**	**307.73**

Movement in provisions of compensated absences			
Balance at the beginning of the period	1,854.82	1,857.37	1,857.37
Movement in provisions against standard assets during the year	(56.38)	(2.55)	-
Provision at the end of the year	**1,798.44**	**1,854.82**	**1,857.37**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 20 : Other non-financial liabilities (₹ in '000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Sundry liabilities account (Interest capitalisation)		15,764.09	15,764.09	-
Income received in advance		36,106.59	36,106.59	-
Advance received against sale of a unit of investment property		17,143.17	-	2,000.00
Other payables:				
- Statutory remittances (Contributions to PF, Service Tax, GST etc.)		648.66	54.24	646.61
- Others		3,979.88	578.45	578.45
	Total	**73,642.39**	**52,503.37**	**3,225.06**

Note 21 : Equity Share Capital (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) Authorized Share Capital			
30,000,000 Equity shares of ₹ 10/- each	300,000.00	300,000.00	300,000.00
(ii) Issued, Subscribed & Fully Paid Up Share Capital			
22,547,550 Equity shares of ₹ 10/- each*	225,475.50	225,475.50	225,475.50

* Included 9,777,550 equity shares represented by 4,888,775 Global Depository Shares (GDR)

Disclosures:

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount (₹ in '000)	No. of Shares	Amount (₹ in '000)
Opening Balance	22,547,550	225,475.50	22,547,550	225,475.50
Fresh Issue	-	-	-	-
Buy Back	-	-	-	-
Closing Balance	**22,547,550**	**225,475.50**	**22,547,550**	**225,475.50**

The Company had issued 4,888,775 Global Depository Shares ('GDSs') representing ₹ 9,777,550 equity shares of the Company of nominal value ₹ 10 each, aggregating to US$ 59.89 millions equivalent to ₹ 3,377,606,725 (including shares premium of ₹ 3,279,831,225). The GDSs are listed on Luxembourg Stock Exchange.

b) Rights, preferences and restrictions attached to equity shares

Equity shares of the Company are issued at a par value of ₹ 10 per share.

(i) **Equity Shares represented by GDS** - Holders of the GDSs will have no voting rights with respect to the underlying equity shares. The Depository will not exercise any voting rights with respect to the deposited shares. Other rights, preferences and restrictions are same as other equity shares.

(ii) **Other Equity Shares** - Each holder of other equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 21 : Equity Share Capital (contd.)

c) Equity Shares held by each shareholder holding more than 5% equity shares in the Company are as follows:

Equity Shares	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of holding	No. of Shares held	% of holding
N. N. Financial Services Private Limited	7,087,960	31.44	7,087,960	31.44
Nimbus India Limited	2,294,107	10.17	2,294,107	10.17
Life Insurance Corporation of India	1,191,998	5.29	1,191,998	5.29
The Bank of New York Mellon (Depository for GDS holders)*	9,777,550	43.36	9,777,550	43.36

* The Company does not have details of individual holders.

d) The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

Disclosures required as per Division III of Schedule III

Objectives, policies and processes for managing capital.

For the purpose of the Company's capital management, capital includes paid-up equity securities capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares.

Note 22 : Other equity (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Capital Reserve	0.75	0.75	0.75
Securities Premium	4,186,487.47	4,186,487.47	4,186,487.47
General Reserve	185,542.59	185,542.59	185,542.59
Special Reserve (as per the RBI regulations)	322,407.00	322,407.00	322,407.00
Retained earnings			
Opening balance	54,738.31	311,857.98	4,75,518.33
Add: profit /(loss) for the year	(440,768.71)	(258,203.38)	(56,750.58)
Ind AS Adjustments:			
- Expected credit loss	-	-	(11,443.05)
- Profit/(Loss) due to fair value of investment in shares	-	-	224,140.15
- Loss due to remeasurement of investment	-	-	(319,560.94)
Items of other comprehensive income recognized directly in retained earnings:			
- Remeasurements of post-employment benefit obligation, net of tax	183.37	1,083.71	(45.93)
Retained Earnings	(385,847.03)	54,738.31	311,857.98
Total	**4,308,590.78**	**4,749,176.12**	**5,006,295.79**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 22 : Other equity (contd.)

Nature and purpose of each reserve

Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

Special Reserve (as per the RBI regulations)

This Reserve is created as per Sec 45IC of Reserve bank of India Act 1934. This Reserve is utilised only as per manner mentioned in RBI Act 1934.

Retained earnings

Retained earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves, Special Reserve etc. opening Impact of Ind AS is adjusted in Retained Earnings.

Note 23 : Interest income (₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) On financial assets measured at fair value through OCI	-	-
(b) On financial assets measured at amortised cost		
Interest on loans	27,388.64	25,722.07
Interest on deposits with banks	3,340.32	1,403.52
Other interest income		
Interest on deposits placed	1,084.54	468.27
Interest income from preference share amortisation	144,071.38	118,757.69
(c) On financial assets classified at fair value through profit or loss	-	-
Total	**175,884.88**	**146,351.55**

Note 24 : Other revenue from operations (₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Reversal of expected credit loss	972.29	10,470.76
Profit on sale of investment properties (Net)	-	30,428.57
Reversal of Provision for sub-standard loan	84,300.00	36,480.00
Reversal of contingent provision against standard assets	19.95	172.48
Total	**85,292.24**	**77,551.81**

Note 25 : Other income (₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Miscellaneous income	52.10	34.06
Interest income from Income tax refund	-	1,552.89
Total	**52.10**	**1,586.95**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 26 : Finance costs (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Interest on borrowings		-	6.60
	Total	**-**	**6.60**

Note 27 (a) : Net loss on fair value changes (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
On financial assets		561,236.47	-
	Total	**561,236.47**	**-**

Note 27 (b) : Impairment on financial instruments (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
On financial instruments measured at fair value through OCI		-	-
On financial instruments measured at amortised cost			
Loans		53,550.00	410,554.10
Investments		47,509.49	-
	Total	**101,059.49**	**410,554.10**

Note 28 : Employee Benefit Expenses (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Salaries and bonus		11,313.29	12,309.49
Contribution to provident and other funds		988.03	987.84
Staff welfare expenses		221.45	250.99
	Total	**12,522.77**	**13,548.32**

Note 29 : Depreciation, amortisation and impairment (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Depreciation & amortisation			
on property, plant and equipment		594.93	621.21
on investment properties		2.60	3.64
	Total	**597.53**	**624.85**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 30 : Other expenses (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Rent, taxes and energy costs		6,417.72	7,381.26
Repair and Maintenance		3,567.72	3,459.04
Communication costs		203.79	277.52
Printing & Stationery		470.14	397.49
Advertisement and publicity		14.07	75.91
Director's fee, allowances and expenses*		2,648.70	2,581.20
Auditor's fees and expenses		2,518.75	1,626.11
Legal and professional charges		4,532.43	3,785.57
Insurance		345.57	322.45
Other expenditure			
Travelling and conveyance		1,357.27	1,287.40
Business promotion		564.79	154.15
Membership fees		1,518.78	1,449.70
Expenditure on Corporate Social Responsibility		200.00	760.00
Loss on remeasurement of financial assets		-	63,767.66
Impairment of property, plant and equipment		33.91	-
Miscellaneous expenditure		2,286.18	584.18
	Total	**26,679.82**	**87,909.64**

* Includes Reverse Charges

Details of Auditor's fees and expenses			
- Auditor		1,000.00	725.00
- for taxation matter		-	-
- for company law matters		-	-
- for other services		1,250.00	846.25
- for reimbursement of expenses		-	-
- for GST		268.75	54.86
	Total	**2,518.75**	**1,626.11**
Repair and Maintenance			
Repairs to Machinery		-	-
Repairs to Building		2,586.43	3,286.06
Other Repairs and Maintenance		981.30	172.98
	Total	**3,567.73**	**3,459.04**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 31 : Tax expenses

(₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
-Current tax	-	4,562.00
-Earlier year	-	6,687.39
-MAT credit	-	(4,562.00)
	-	**6,687.39**
Deferred tax		
- through profit and loss statement	(98.15)	(35,637.21)
- through other comprehensive income	64.43	-
	(33.72)	**(35,637.21)**
Total	**(33.72)**	**(28,949.82)**

The reconciliation of estimated income tax to income tax expense is as follow:

(₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before income tax	(440,866.86)	(287,153.20)
Enacted tax rates in India (%)	26%	25.75%
Computed expected tax expenses	(114,625.38)	(73,941.95)
Adjustments:		
for exempted income	(37,458.56)	(38,415.46)
for disallowed under Income Tax Act	172,543.92	122,963.46
for allowable under Income Tax Act	(22,314.52)	(12,274.81)
Others	1,326.17	1,313.42
taxation loss for the year	528.37	355.34
Income Tax expenses - Net	**-**	**-**
Tax liability as per Minimum Alternate Tax on book profits		
Minimum Alternate Tax rate	20.587%	20.389%
Computed tax liability on accounting profit	(90,760.38)	(58,547.24)
Tax effect on adjustments	90,760.38	63,109.24
Minimum Alternate Tax on Book Profit	**-**	**4,562.00**
Tax losses		
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	13,640.38	11,608.21
Potential tax benefit @26% (P.Y. 25.75%)	3,546.50	2,989.11

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 32 : Contingent liabilities and commitments (₹ in ‘000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(I) Contingent liabilities			
(a) Claims against the Company not acknowledge as debt			
-Disputed income-tax matters #	-	-	7,038.77
-Disputed wealth-tax matter in appeal	3,250.25	3,250.25	3,250.25
-Disputed property tax levied by Mumbai Municipal Corporation (MMC) based on enhanced ratable value for the period 1st April 2007 to 31st March 2010 in respect of the Company’s Investment Property in Atlanta Building, Nariman Point net of provision*	19,869.86	19,869.86	19,869.86

The income tax assessment upto financial year 2015-16 has been completed. For FY 2016-17 the income-tax assessment is in process, for which in the opinion of the management there is no tax liabilities to be created in the books of accounts. Rectification of assessment order for the FY 2014-15 is pending.

* details of contingent liabilities as under

The amount of ₹ 19,869,855 disclosed as Contingent Liability is towards the disputed property tax levied by MMC based on enhanced ratable value for the period 1st April 2007 to 31st March 2010 in respect of the Company’s Investment Property in Atlanta Building, Nariman Point, Mumbai.

During the financial year 2015-16 and 2017-18, the Company sold five units of the said property. Upon sale of said units the Company was required to deposit ₹ 14,707,216 with Atlanta Premises Co-operative Society Limited (the society) towards part of the disputed property tax related to units sold. The said amount has been placed by the society in Fixed Deposits with Bank.

The disputed property tax issue is still subjudice and the order is awaited from the Mumbai High court. Pending the outcome of the matter, out of abundant caution, the Company has made a provision of ₹ 5,000,000 in respect of the units sold.

However, the total amount of ₹ 24,869,855 is fully recoverable from the ex-Licensee as per the Leave and License Agreements entered by the Company with them from time to time.

(b) Guarantees			
Guarantees given to banks on behalf of associate company	253,400.00	253,400.00	253,400.00
The Company has received counter-guarantees from other parties against the aforesaid guarantees given by the Company to the banks.	190,050.00	190,050.00	190,050.00
The outstanding amount of loan availed by the associate company	2,258.61	7,500.23	43,128.30

(ii) Commitments

(a) Non-cancellable contractual commitments - refer note 36

(b) The company has entered in memorandum of understanding for sale of three units of office premises situated at Atlanta Premises with the buyers. Accordingly contingent liability toward the disputed property tax of three units are ₹13,350,775 is require to deposit with the society. Out of which, the company has deposited ₹3,601,803 with the society.

Note 33 : Earnings per share

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Basic earnings per share		
Profit attributable to the equity holders of the Company (₹ in 000)	(440,768.71)	(258,203.38)
Total basic earnings per share attributable to the equity holders of the Company (₹)	(19.55)	(11.45)
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator (nos.)	22,547,550	22,547,550

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 34 : Disclosure as per Regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in '000)

Particulars	Balance as at March 31, 2019	Maximum balance outstanding during the year ended March 31, 2019	Balance as at March 31, 2018	Maximum balance outstanding during the year ended March 31, 2018
Loans and advances (excluding interest accrued and due) in the nature of loans to subsidiaries, associates, firms/companies in which directors are interested:				
Subsidiaries:				
IIT Insurance Broking and Risk Management Private Limited	-	59,300.00	57,500.00	57,500.00
Associate Company:				
World Resorts Limited (refer note 35)	18,500.00	43,500.00	25,000.00	25,000.00
Entities over which the company can exercise significant influence:				
Capital Infraprojects Pvt Ltd	10,000.00	10,000.00	10,000.00	10,000.00
IITL Nimbus The Express Park View	247,751.46	247,751.46	247,751.46	247,751.46
IITL Nimbus The Palm Village	30,000.00	30,000.00	30,000.00	30,000.00
IITL Nimbus The Hyde Park Noida	162,794.96	162,794.96	162,794.96	162,794.96
MRG Hotels Private Limited (refer note 35)	-	18,500.00	23,500.00	35,000.00

Note 35 :

MRG Hotels Private Limited has been amalgamated with World Resort Limited as per confirmation of order of scheme of amalgamation under section 233 of the Companies Act, 2013 read with Rule 25 of Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 vide order issued by Regional Director (South East Region) Ministry of Corporate Affair dated February 7, 2019.

Accordingly outstanding loan to MRG Hotels Private Limited of ₹ 1.85 crores has been transferred to World Resort Limited on said date.

Note 36 : Disclosure in accordance with Ind AS - 17 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015.

The Company has taken an office premise and residential premises on operating lease. There are no restrictions imposed by the lease arrangement. There are no sub-leases. The lease rental expense recognised in the Statement of Profit and Loss. The company has entered into lease agreement for various period upto 5 years.

The lease payments are recognized in the Statement of Profit and Loss under Rent.

The Following Operating Lease payments are committed to be paid as under: (₹ in '000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Within One Year		2,495.20	2,260.90	6,182.70
Between One and Five Years		3,043.60	212.50	2,473.40
Later Than Five Years		-	-	-
	Total	**5,538.80**	**2,473.40**	**8,656.10**

The following Operating Lease rental expense recognised in the Statement of Profit and Loss (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Total Lease rental expenses (net of recovery)	5,165.70	5,627.18
Recovery of lease rental	417.00	624.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 37 : The details of Corporate Social Responsibility (CSR) expenditure are as below:

(a) The CSR obligation for the year as computed by the Company and relied upon by the auditors is ₹ 200,000 (previous year ₹ 760,000)

(b) Amount spent during the year on: (₹ in '000)

Particulars	Status	Year ended March 31, 2019	Year ended March 31, 2018
i) Construction/acquisition of any asset	Paid	-	-
	Yet to be paid	-	-
	Total	**-**	**-**
ii) On purposes other than (i) above	Paid	200.00	760.00
	Yet to be paid	-	-
	Total	**200.00**	**760.00**

Note 38 : Expenditure in foreign currency (₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Membership Fees, Travelling and other expenses	348.49	188.10
Purchase of property, plant & equipment	96.66	-

Note 39 : Employee Benefit

A) Defined Contribution Plan (₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Recognised Provident Fund contributions which are defined contribution plans, for qualifying employees in the statement of profit and loss	871,320	837,333

B) Defined Benefit Plan

The Company offers its employees defined-benefit plan in the form of a Gratuity Scheme. Benefits under the defined benefits plan are typically based on years of service and the employees compensation covering all regular employees. Commitments are actuarially determined at year-end. The benefits vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status, if there are significant changes in the discount rate during the inter-valuation period.

Market Risk (discount Risk)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Longetivity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

Actuarial risk

Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the obligation at a rate that is higher than expected.

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 39 : Employee Benefit (contd.)

i) The following tables set out the funded status of the gratuity plans and the amounts recognized in the financial statements (Gratuity) (₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
a) Change in benefit obligations			
Opening Defined Benefit Obligation	3,386,090	2,995,113	2,464,784
Transfer in/(out) obligation	-	20,169	-
Current service cost	371,415	383,227	356,490
Interest cost	145,166	224,633	197,183
Net Actuarial loss/(gain)	(149,326)	(237,052)	(23,344)
Benefits paid	(83,215)	-	-
Closing defined benefit obligation	**3,670,130**	**3,386,090**	**2,995,113**
b) Change in plan assets			
Opening value of plan assets	3,420,307	3,001,603	2,591,307
Transfer in/(out) plan assets	-	20,169	-
Interest Income	161,220	225,120	207,305
Net Actuarial loss/(gain)	98,478	4,287	14,806
Contributions by employer	86,750	169,128	188,185
Benefit Paid	(83,215)	-	-
Closing Value of plan assets	**3,683,540**	**3,420,307**	**3,001,603**
c) Funded Status of the Plan			
Present value of unfunded obligations	-	-	-
Present value of funded obligations	(3,670,130)	(3,386,090)	(2,995,113)
Fair value of plan assets	3,683,540	3,420,307	3,001,603
Net Assets/(Liability)	**13,410**	**34,217**	**6,490**

ii) Amount recognized in the Statement of Profit and Loss under employee benefit expenses (Gratuity) (₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current service cost	371,415	383,227
Past service cost and loss/(gain) on curtailments and settlement	-	662,390
Net Interest cost	(16,054)	(487)
Total included in Employee Benefit Expenses	**355,361**	**1,045,130**

iii) Amount recognized in the Statement of Other Comprehensive Income (Gratuity) (₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	45,252	76,278
Due to changes in demographic assumption	-	47,853
Due to experience adjustment	(194,578)	(1,023,573)
Return on plan assets excluding amounts included in interest income	(98,478)	(4,287)
Total included in Employee Benefit Expenses	**(247,804)**	**(903,729)**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 39 : Employee Benefit (contd.)

iv) Reconciliation of net defined benefit assets (Gratuity): (₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Net opening assets in books of accounts	34,217	6,490	126,523
Transfer in/(out) obligation	-	20,169	-
Transfer (in)/out plan assets	-	(20,169)	-
Employee Benefit Expense	(355,361)	(1,045,130)	(308,218)
Amounts recognized in Other Comprehensive Income	247,804	903,729	-
	(73,340)	(134,911)	(181,695)
Contributions to plan assets	86,750	169,128	188,185
Closing provision in books of accounts	**13,410**	**34,217**	**6,490**

v) : Break-up of defined benefit obligation (Gratuity): (₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Vested	3,650,125	3,330,637	2,918,470
Non vested	20,005	55,453	76,643
Total	**3,670,130**	**3,386,090**	**2,995,113**

vi) Principle actuarial assumptions used to determine benefit obligations are set out below:

a) Gratuity

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Discount Rate	6.65%	7.30%	7.50%
Salary Growth Rate	7.00%	7.00%	6.00%
Withdrawal Rates			
At younger ages	10.00%	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%	2.00%

b) Privilege Leave Benefit

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Discount Rate	6.65%	7.30%	7.50%
Salary Growth Rate	7.00%	7.00%	6.00%
Withdrawal Rates			
At younger ages	10.00%	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%	2.00%

c) Sick Leave Benefit

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Discount Rate	6.65%	7.30%	7.50%
Salary Growth Rate	7.00%	7.00%	6.00%
Withdrawal Rates			
At younger ages	10.00%	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%	2.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 39 : Employee Benefit (contd.)

vii) Expected cash flows based on past service liability

a) Gratuity

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Cash flows (₹)	Distribution (%)	Cash flows (₹)	Distribution (%)	Cash flows (₹)	Distribution (%)
Year 1	3,065,379	66.60%	2,795,041	62.80%	1,967,612	55.60%
Year 2	42,547	0.90%	46,624	1.00%	7,908	0.20%
Year 3	38,690	0.80%	47,024	1.10%	8,647	0.20%
Year 4	38,267	0.80%	43,381	1.00%	9,250	0.30%
Year 5	40,746	0.90%	42,927	1.00%	10,635	0.30%
Year 6 to Year 10	496,067	10.80%	501,774	11.30%	65,831	1.90%

The Future accrual is not considered in arriving at the above cash-flows.

b) Privilege Leave Benefit

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Cash flows (₹)	Distribution (%)	Cash flows (₹)	Distribution (%)	Cash flows (₹)	Distribution (%)
Year 1	1,379,886	71.20%	1,382,868	65.50%	1,339,826	69.80%
Year 2	25,415	1.30%	31,962	1.50%	24,084	1.30%
Year 3	23,710	1.20%	31,482	1.50%	23,646	1.20%
Year 4	23,082	1.20%	29,490	1.40%	23,217	1.20%
Year 5	23,024	1.20%	28,702	1.40%	22,795	1.20%
Year 6 to Year 10	190,540	9.80%	224,962	10.70%	107,908	5.60%

The Future accrual is not considered in arriving at the above cash-flows.

viii) Composition of the plan assets (Gratuity):

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Government of India Securities	0%	0%	0%
State Government Securities	0%	0%	0%
High quality corporate bonds	0%	0%	0%
Equity shares of listed companies	0%	0%	0%
Property	0%	0%	0%
Special Deposit Scheme	0%	0%	0%
Policy of insurance	94%	94%	93%
Bank Balance	6%	6%	7%
Other Investments	0%	0%	0%
Total	**100%**	**100%**	**100%**

Note: The Company is unable to obtain the details of major category of plan assets from the insurance company (Life Insurance Corporation of India) and hence the disclosure thereof is not made.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 39 : Employee Benefit (contd.)

ix) Sensitivity to key assumptions

a) Gratuity

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)
Discount rate varied by 0.5%						
Increase by 0.5%	3,634,953	-0.96%	3,352,093	-1.00%	2,955,576	-1.32%
Decrease by 0.5%	3,707,947	1.03%	3,422,751	1.08%	3,038,462	1.45%
Salary growth rate varied by 0.5%						
Increase by 0.5%	3,705,994	0.98%	3,420,839	1.03%	3,026,524	1.05%
Decrease by 0.5%	3,635,756	-0.94%	3,353,427	-0.96%	2,962,975	-1.07%
Withdrawal rate (WR) varied by 10%						
WR* 110%	3,668,911	-0.03%	3,387,627	0.05%	2,997,907	0.90%
WR* 90%	3,671,387	0.03%	3,384,359	-0.05%	2,992,612	-0.08%

b) Privilege Leave Benefit

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)
Discount rate varied by 0.5%						
Increase by 0.5%	1,593,881	-0.75%	1,645,244	-0.87%	1,650,088	-0.71%
Decrease by 0.5%	1,618,885	0.80%	1,675,043	0.93%	1,674,691	0.77%
Salary growth rate varied by 0.5%						
Increase by 0.5%	1,618,781	0.80%	1,675,013	0.93%	1,674,813	0.77%
Decrease by 0.5%	15,938,865	-0.75%	1,645,140	-0.87%	1,649,873	-0.73%
Withdrawal rate (WR) varied by 10%						
WR* 110%	1,604,149	-0.11%	1,657,422	-0.13%	1,662,242	0.02%
WR* 90%	1,607,901	0.12%	1,661,977	0.14%	1,661,651	-0.02%

c) Sick Leave Benefit

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)
Discount rate varied by 0.5%						
Increase by 0.5%	183,552	-4.63%	192,688	-1.28%	189,036	-3.27%
Decrease by 0.5%	188,115	-2.26%	197,809	1.34%	202,565	3.65%
Salary growth rate varied by 0.5%						
Increase by 0.5%	188,096	-2.27%	197,805	1.34%	203,981	4.38%
Decrease by 0.5%	183,548	-4.64%	192,667	-1.30%	187,564	-4.02%
Withdrawal rate (WR) varied by 10%						
WR* 110%	183,664	-4.58%	192,594	-1.33%	188,181	-3.71%
WR* 90%	187,981	-2.33%	197,894	1.38%	203,450	4.11%

A description of methods used for sensitivity analysis and its limitations:

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters.

Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 40 : Related party disclosures

(i) Names of related parties:

(a) Names of related parties and nature of related party relationship where control exists are as under:

Subsidiary companies:	IIT Investrust Limited IITL Projects Limited IIT Insurance Broking and Risk Management Private Limited IITL Corporate Insurance Services Private Limited
Joint venture:	Future Generali India Life Insurance Company Limited

(b) Names of other related parties and nature of relationship:

Key management personnel:	Dr. B. Samal, Executive Chairman Cumi Banerjee, CEO & Company Secretary Hemang Ladani, CFO (w.e.f. April 20, 2018) Kaushik Desai, CFO (upto August 8, 2017)
Associate company:	World Resorts Limited
Entities over which the Company can exercise significant influence:	IITL Nimbus The Express Park View - a partnership firm IITL Nimbus The Palm Village - a partnership firm IITL Nimbus The Hyde Park Noida -a partnership firm Capital Infraprojects Private Limited MRG Hotels Private Limited (refer note 35)

(ii) Transactions with related parties:

(a) Key management personnel: (₹ in ‘000)

Particulars	Nature	Year ended March 31, 2019	Year ended March 31, 2018
Dr. B. Samal*	Remuneration	55,320 .00	55,320 .00
Cumi Banerjee	Remuneration	3,351.00	3,300.00
Hemang Ladani	Remuneration	1,084.34	-
Kaushik Desai	Remuneration	-	786.44

* Above remuneration excludes provision for gratuity and compensated absences, which is determined on the basis of actuarial valuation done on overall basis for the Company

(b) Other related parties: (₹ in ‘000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Loans given:		
IIT Insurance Broking and Risk Management Private Limited	1,800.00	7,500.00
Capital Infraprojects Private Limited	-	10,000.00
Refund of loans given:		
IIT Insurance Broking and Risk Management Private Limited	59,300.00	-
MRG Hotels Private Limited	5,000.00	11,500.00
World Resorts Limited	25,000.00	-
Interest income (net of reversal):		
Capital Infraprojects Private Limited	1,415.81	1,122.27
IITL Nimbus The Hyde Park	19,583.57	19,853.53
World Resorts Limited	3,831.45	3,750.00
MRG Hotels Private Limited	2,557.81	3,918.05
Rent Expenses:		
IIT Investrust Limited	1,500.00	1,500.00
IIT Insurance Broking and Risk Management Private Limited	1,800.00	2,400.00
Interest income from preference share amortisation		
IITL Projects Limited	52,203.56	45,394.40
Capital Infraprojects Private Limited	21,001.20	15,860.35
World Resorts Limited	70,866.62	57,502.94

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 40 : Related party disclosures (contd.)

(iii) Details of amount outstanding as on balance sheet date (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Loans outstanding			
IITL Projects Limited	-	-	364,800.00
IIT Insurance Broking and Risk Management Private Limited	-	57,500.00	50,000.00
Capital Infraprojects Private Limited	10,000.00	10,000.00	-
IITL Nimbus The Express Park View (Refer note 44)	247,751.46	247,751.46	231,987.37
IITL Nimbus The Hyde Park	162,794.96	162,794.96	162,794.96
IITL Nimbus The Palm Village	30,000.00	30,000.00	30,000.00
World Resorts Limited	18,500.00	25,000.00	25,000.00
MRG Hotels Private Limited	-	23,500.00	35,000.00
Interest accrued and due as at year-end:			
IIT Insurance Broking and Risk Management Private Limited	-	-	2,921.78
Capital Infraprojects Private Limited	316.23	304.03	-
Advance rent paid (Prepaid Expenses)			
IIT Insurance Broking and Risk Management Private Limited	-	1,600.00	1,400.00

Above disclosures exclude related party transactions in the nature of reimbursements.

Note 41 : Interest in joint ventures

The Company has interests in the following joint venture:

Name of joint venture and country of incorporation	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Future Generali India Life Insurance Company Limited (FGILICL) (See note 42)	17.73%	18.80%	21.67%

Financial interest of the company in jointly controlled entities is as under:

Amount of interest based on the audited accounts (₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Assets	42,798,857	36,957,342
Liabilities	40,253,421	33,593,634
Income	14,293,435	10,757,725
Expenditure	16,183,864	12,583,416
Contingent liabilities	54,096	53,199
Capital commitments	73,708	32,057

Note 42 :

The Company had entered into Share Purchase Agreement with Pantaloon Retail India Limited (now known as Future Retail Limited) to acquire 22.5% of its equity stake in Future Generali India Life Insurance Company Ltd (FGILICL). Pursuant to approval received from CCI, RBI & IRDA the transaction was consummated on 17^{th} December 2013 for a total consideration of ₹ 340 crores. FGILICL became a joint venture of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 42 : (contd.)

During the period from April 1, 2016 to March 31, 2019, the FGILICL came out with Rights Issues eight times with total 390,820,608 equity shares. The Company did not subscribe in any of the Rights Issues. With the increase in paid up capital on account of the Rights Issues, the Company's equity stake in FGILICL has reduced to 21.67% as at April 1, 2017, 18.80% as at March 31, 2018 and 17.73% as at March 31, 2019.

The management views the investment in positive light as insurance industry plays a crucial role in the growth and development of the overall economy. There is a huge potential to be tapped across India for life insurance. Life Insurance Industry has a long gestation period and the Company views this as a long term investment. Having regard to the projections and future business plan provided by FGILICL to the Company and based on management's assessment of the same, the management of the Company is of the view that, although the net-worth of FGILICL as at 31st March 2018 has substantially eroded, there is no diminution other than temporary in the value of investment of the Company in FGILICL as at 31st March 2019.

Note 43 : One time settlement against loan

In its meeting held on 8th March, 2017, the Board of directors approved the proposal of One-Time Settlement ("OTS") with IITL Projects Limited (IPL), the subsidiary company, in relation to unsecured outstanding loan given along with the outstanding interest thereon, as under :-

(i) Loan of ₹ 364,800,000/- along with outstanding interest as on 31st March, 2016 amounting to ₹ 36,106,588/- (Net of TDS) aggregating ₹ 400,906,588/- would be adjusted against the transfer of assets of IPL namely 5,000,000 Zero % Non-Convertible Redeemable Preference Shares of World Resorts Limited and 10,849,120 Zero% Non-Convertible Redeemable Preference Shares of Capital Infraprojects Private Limited based on its value determined by independent valuers amounting to ₹ 283,314,407/- Crores and ₹ 117,592,181/- respectively (in favour of the Company).

(ii) The Company to waive off Interest accrued for the period April, 2016 to March, 2017 amounting to ₹ 54,720,000/-.

(iii) IPL to agree to recompense the Company in one or more installments, as may be mutually agreed between the parties at the relevant time the interest amount of ₹ 54,720,000/- which has been waived off as part of One Time Settlement in case IPL turns profitable in future and has adequate cash flows.

The above proposal was approved by the members of IPL and those of the Company on 18th April, 2017 and 21st April, 2017 respectively. Subsequently the company entered into OTS agreement on 18th May, 2017 with IPL to transfer the said shares in name of the Company.

Note 44 : Restructure of loan

Pursuant to the approval received from the shareholders and resolution passed at the 84th Annual General Meeting of the Company, the unsecured loan of ₹ 23,19,87,365/- granted to IITL Nimbus the Express Park View (EPV-II) has been restructured according to the following terms and condition.

a) Moratorium of four years for a period beginning October 01, 2017 and ending on September 30, 2021 on repayment of outstanding loan of ₹ 23,19,87,365/-

b) Interest outstanding upto March 31, 2016 amounting to ₹ 1,57,64,094/- to be converted into Funded Interest Term Loan (FITL) and a Moratorium to be granted for its repayment and the interest thereon for a period of 4 years ending on September 30, 2021. The rate of interest to be charged on FITL will be 12%.

c) Interest outstanding from April 01, 2016 upto September 30, 2017 amounting to ₹ 5,22,44,826/- to be waived off and interest rate change from @15% to @12% with Recompense Clause.

d) Promoters' contribution amounting to ₹ 3,06,60,032/- has been brought jointly by the Promoters in EPV II i.e. to the extent of 20% of the total sacrifice amount on account of Diminution in Fair Value of Loan and waiver of interest; and has given Corporate Guarantee, to the extent of outstanding loan including FITL amounting to ₹ 24,77,51,459/- and accumulated interest thereon to be calculated (On Loan & FITL) upto the end of moratorium period or repayment whichever is earlier from the Promoters' of EPV II in compliance with the relevant provisions of the Prudential Norms of the Reserve Bank of India pertaining to Restructuring of Loans, as amended from time to time.

Note 45 : Segment Reporting

Disclosure as required by Ind AS 108 "Operating Segment", of the Companies (Indian Accounting Standards) Rules, 2015.

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance in accordance with Ind AS "Operating Segment", the Company has only one reportable operating segment i.e. Investment Activity. The additional disclosure is being made in the consolidated financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 46 :

As at March 31, 2019, the Company has an investment in its subsidiary IITL Projects Limited having amount of ₹ 1,361.23 lakhs in equity shares and ₹ 4,002.27 lakhs in preference shares.

The financial results of the subsidiary have been prepared on a going concern basis, although the subsidiary is incurring continuous losses. The net worth of the subsidiary is negative as on March 31, 2019.

In view of current status of the Real Estate Industry and in Particulars adverse cash flows of the its Joint Ventures of the subsidiary, their ability to continue as going concern is uncertain. Further considering that the subsidiary has also net Loss for the year and the current liabilities exceeded its Total assets indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a Going Concern.

Considering the above, the company has made an impairment provision of ₹ 475.09 lakhs towards equity investment based on the market price of equity shares of subsidiary as at September 30, 2018.

Further the Company has provided loss of ₹ 4,002.27 lakhs fully on account of change in fair value of preference share of the subsidiary as at March 31, 2019.

The Company has investment in preference share of one of the joint venture namely Capital Infra Projects Private Limited of the subsidiary IITL Projects Limited of ₹1610.09 lakhs as at March 31, 2019.

In view of current status of the Real Estate Industry and impact on realisable value of unsold Inventories and the considering the adverse cash flow of the joint venture, their ability to continue as going concern is uncertain. The Company has provided loss of ₹ 1,610.09 lakhs fully on account of change in fair value of preference share of Capital Infra Projects Private Limited as at March 31, 2019.

Note 47 :

The Company had received letter from the Reserve Bank of India (RBI) dated June 25, 2018. Vide said letter, the RBI has prohibited the Company not to expand its credit/investment portfolio other than investment in Government Securities till Net NPAs are brought down to below 5%.

The Board of the Company in its meeting held on August 13, 2018 discussed and deliberated on the issues raised by RBI. The board of the Company drew an action plan for the same and submitted response to the RBI accordingly.

In a further letter to RBI dated March 29, 2019, the Company has put in detail its action plan and updated in bound action plan. The total loan recovered during the year is ₹ 843.00 lakhs which includes ₹ 593.00 lakhs of IIT Insurance Broking & Risk Management Private Limited and ₹ 250.00 lakhs of World Resorts Limited.

Note 48 : Fair value measurements

A) Financial instruments by category (₹ in '000)

Particulars	Category	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
i) Financial Assets				
Cash and cash equivalents	Amortised cost	14,108.08	3,568.66	2,760.90
Bank balances other than above	Amortised cost	116,885.94	36,656.98	25,057.56
Receivables				
Other receivables	Amortised cost	1,144.60	809.48	3,385.10
Loans	Amortised cost	44,264.09	100,041.80	806,681.05
Investments				
Equity shares				
Subsidiary, associates and joint ventures	Amortised cost	3,788,704.84	3,836,214.32	3,836,214.32
Other than subsidiary, associates and joint ventures	Amortised cost	-	-	-
Preference shares				
subsidiary	FVTPL	-	348,023.72	302,629.32
associates	Amortised cost	543,310.74	472,444.12	201,949.90
joint ventures	FVTPL	-	140,008.00	-
Security deposits	Amortised cost	41.50	41.50	190.09
Other receivables	Amortised cost	11.30	1,247.57	929.91
Total		**4,508,471.09**	**4,939,056.15**	**5,179,798.15**
ii) Financial liabilities				
Trade payable	Amortised cost	1,978.00	1,782.21	2,170.82
Borrowings	Amortised cost	-	-	297.93
Unclaimed dividends	Amortised cost	2,359.07	2,939.24	3,557.56
Other liabilities	Amortised cost	-	15.28	-
Total		**4,337.07**	**4,736.73**	**6,026.31**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 48 : Fair value measurements (contd.)

(B) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. Fair values were measured by using level 3 inputs

For all the financial assets and liabilities referred above that are measured at fair value through profit or loss, their fair values were measured by using level 3 inputs

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

There were no transfers between any levels during the year

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures which are included in level 3.

Note 49 : First time adoption of Ind AS

Transition to Ind AS

This is the Company first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 & 2 have been applied in preparing the financial statements for the year ended March 31, 2019, the comparative information presented in these financial statements for the year ended March 31, 2018 and in the preparation of an opening Ind AS balance sheet at April 1, 2017 (date of transition). In preparing its opening Ind AS balance sheet, the group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

A. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and IGAAP have been recognized directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its IGAAP financial statements, including the Balance Sheet as at April 1, 2017 and the financial statements as at and for the year ended March 31, 2018.

i) Ind AS optional exemptions

<u>Deemed cost :</u>

As per Ind AS 101 an entity may elect to:

a) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date

b) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:

-fair value;

- or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

c) use carrying value of property, plant and equipment and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment and investment property.

Similarly, investment in subsidiaries, Jointly controlled entity and associates has elected to measured at deemed cost as at its transition date at their IGAAP carrying value.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 49 : First time adoption of Ind AS (contd.)

Designated of previously recognised financial instruments

Ind AS 101 permits an entity to designate Particulars equity investments (other than equity investments in subsidiaries, associates and jointly controlled entity) as at fair value through other comprehensive income (FVOCI) based on fact and circumstances at the date of transition to Ind AS (rather than at initial recognition). Other equity investments are classified at fair value through profit or loss (FVTPL).

The Company has provided provision for impairment in the value of investments fully (other than investments in subsidiaries, associates and jointly controlled entity) as on the date of transition.

ii) Ind AS mandatory exemptions

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

Estimates :

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with IGAAP. The company made estimates for following item in accordance with Ind AS at the date of transition as these were not required under IGAAP:

- Impairment of financial assets based on expected credit loss model
- Determination of the discounted value for financial instruments carried at amortised cost

De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Accordingly, the Company has determined the classification and measurement of financial assets based on facts and circumstances that exist on the date of transition with prospectively.

B. Reconciliation of equity, total comprehensive income and cash flows

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

i) Reconciliation of equity as previously reported under IGAAP to Ind AS

Reconciliation of equity as at transition date (April 1, 2017) (₹ in '000)

Particulars	Note	Previous IGAAP*	Adjustments	Ind AS
ASSETS				
I. Financial assets				
Cash and cash equivalents		2,760.90	-	2,760.90
Bank balances other than above		25,057.56	-	25,057.56
Receivables		-	-	-
(i) Other receivables		3,385.10	-	3,385.10
Loans	i	818,124.10	(11,443.05)	806,681.05
Investments	ii	4,436,214.33	(95,420.79)	4,340,793.54
Other financial assets		1,120.00	-	1,120.00
		5,286,661.99	**(106,863.84)**	**5,179,798.15**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 49 : First time adoption of Ind AS (contd.) (₹ in '000)

Particulars	Note	Previous IGAAP*	Adjustments	Ind AS
II. Non-Current Assets Classified as held for sale	iii	-	22.03	22.03
III. Non-financial assets				
Current tax assets (net)		29,123.60	-	29,123.60
Deferred tax assets (net)		21,344.92	-	21,344.92
Investment property	iii	95.63	(22.03)	73.60
Property, plant and equipment		4,341.44	-	4,341.44
Other non-financial assets		13,509.52	-	13,509.52
		68,415.11	**(22.03)**	**68,393.08**
Total Assets		**5,355,077.10**	**(106,863.84)**	**5,248,213.26**
LIABILITIES AND EQUITY				
I. LIABILITIES				
Financial Liabilities				
Payable				
(i) Trade payable				
- total outstanding dues of micro and small enterprises		-	-	-
- total outstanding dues of other than micro and small enterprises		2,170.82	-	2,170.82
Borrowings (other than debt securities)		297.93	-	297.93
Other financial liabilities		3,557.56	-	3,557.56
		6,026.31	**-**	**6,026.31**
Non-financial Liabilities				
Current tax liabilities (net)		25.50	-	25.50
Provisions		7,165.10	-	7,165.10
Other non-financial liabilities		3,225.06	-	3,225.06
		10,415.66	**-**	**10,415.66**
II. EQUITY				
Equity Share Capital		225,475.50	-	225,475.50
Other equity		5,113,159.63	(106,863.84)	5,006,295.79
		5,338,635.13	**(106,863.84)**	**5,231,771.29**
Total Liabilities and Equity		**5,355,077.10**	**(106,863.84)**	**5,248,213.26**

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of equity as at March 31, 2018 (₹ in '000)

Particulars	Note	Previous IGAAP*	Adjustments	Ind AS
ASSETS				
I. Financial assets				
Cash and cash equivalents		3,568.66	-	3,568.66
Bank balances other than above		36,656.98	-	36,656.98
Receivables		-	-	-
(i) Other receivables		809.48	-	809.48
Loans	i	101,014.09	(972.29)	100,041.80
Investments	ii	4,837,120.92	(40,430.76)	4,796,690.16
Other financial assets		1,289.07	-	1,289.07
		4,980,459.20	**(41,403.05)**	**4,939,056.15**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 49 : First time adoption of Ind AS (contd.) (₹ in '000)

Particulars	Note	Previous IGAAP*	Adjustments	Ind AS
II. Non-Current Assets Classified as held for sale		-	-	-
III. Non-financial assets				
Current tax assets (net)		15,834.12	-	15,834.12
Deferred tax assets (net)		61,544.13	-	61,544.13
Investment property		69.96	-	69.96
Property, plant and equipment		3,742.57	-	3,742.57
Other non-financial assets		18,660.35	-	18,660.35
		99,851.13	**-**	**99,851.13**
Total Assets		**5,080,310.33**	**(41,403.05)**	**5,038,907.28**
LIABILITIES AND EQUITY				
I. LIABILITIES				
Financial Liabilities				
Payable				
(i) Trade payable				
- total outstanding dues of micro and small enterprises		-	-	-
- total outstanding dues of other than micro and small enterprises		1,782.21	-	1,782.21
Other financial liabilities		2,954.52	-	2,954.52
		4,736.73	**-**	**4,736.73**
Non-financial Liabilities				
Current tax liabilities (net)		25.50	-	25.50
Provisions		6,990.06	-	6,990.06
Other non-financial liabilities		52,503.37	-	52,503.37
		59,518.93	**-**	**59,518.93**
II. EQUITY				
Equity Share Capital		225,475.50	-	225,475.50
Other equity		4,790,579.17	(41,403.05)	4,749,176.12
		5,016,054.67	**(41,403.05)**	**4,974,651.62**
Total Liabilities and Equity		**5,080,310.33**	**(41,403.05)**	**5,038,907.28**

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total comprehensive income for the year ended March 31, 2018 (₹ in '000)

Particulars	Note	Previous IGAAP*	Adjustments	Ind AS
Income				
Revenue from Operations				
Interest income	iv	27,593.86	118,757.69	146,351.55
Others	i	67,081.05	10,470.76	77,551.81
Total revenue from operation		94,674.91	129,228.45	223,903.36
Other income		1,586.95	-	1,586.95
Total Income		**96,261.86**	**129,228.45**	**225,490.31**
Expenses				
Finance costs		6.60	-	6.60
Impairment on financial instruments		410,554.10	-	410,554.10
Employee benefits expenses	v	12,464.61	1,083.71	13,548.32
Depreciation, amortization and impairment		624.85	-	624.85
Other expenses	ii	24,141.98	63,767.66	87,909.64
Total Expenses		**447,792.14**	**64,851.37**	**512,643.51**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 49 : First time adoption of Ind AS (contd.) (₹ in '000)

Particulars	Note	Previous IGAAP*	Adjustments	Ind AS
Profit/(loss) before tax		**(351,530.28)**	**64,377.08**	**(287,153.20)**
Tax expenses				
Current tax		6,687.39	-	6,687.39
Deferred tax		(35,637.21)	-	(35,637.21)
		(28,949.82)	**-**	**(28,949.82)**
Profit/(Loss) after tax		**(322,580.46)**	**64,377.08**	**(258,203.38)**
Other comprehensive income				
i. Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit liability/asset		-	(1,083.71)	(1,083.71)
Tax on remeasurement of defined benefit		-	-	-
		-	**(1,083.71)**	**(1,083.71)**
Total comprehensive income for the year		**(322,580.46)**	**65,460.79**	**(257,119.67)**

Reconciliation of Equity as on March 31, 2018 and April 1, 2017 (₹ in '000)

Particulars	As at March 31, 2018	As at April 1, 2017
Equity as per Previous GAAP (i)	4,790,579.17	5,113,159.63
Ind AS adjustments		
Impact of measuring financial assets (investments) at fair value	224,140.15	224,140.15
Loss due to fair Valuation of Preference Shares	(383,328.60)	(319,560.94)
Interest income on Preference shares assets as per effective Interest rate (EIR)	118,757.69	-
Expected credit loss as per effective Interest rate	(972.29)	(11,443.05)
Total effect of transition to Ind AS (ii)	(41,403.05)	(106,863.84)
Equity as per Ind AS (i+ii)	**4,749,176.12**	**5,006,295.79**

Reconciliation of Total Comprehensive Income for the year ended March 31, 2018 (₹ in '000)

Particulars	Year ended March 31, 2018
Net Profit /(Loss) as per Previous GAAP	(322,580.46)
Ind AS adjustments	
Interest income on Preference shares assets as per effective Interest rate (EIR)	118,757.69
Expected credit loss as per effective Interest rate	10,470.76
Loss due to fair Valuation of Preference Shares	(63,767.66)
Remeasurement of defined benefit Plans	(1,083.71)
	64,377.08
Net Profit as per Ind AS	(258,203.38)
Other Comprehensive Income (Net of Tax)	1,083.71
Total Comprehensive Income as per Ind AS	**(257,119.67)**

Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2018 (₹ in '000)

Particulars	Previous IGAAP*	Adjustments	Ind AS
Net cash flow from operating activities	1,752.94	(23,772.24)	(22,019.30)
Net cash flow from investing activities	(22.33)	23,772.24	23,749.91
Net cash flow from financing activities	(922.85)	-	(922.85)
Net increase/(decrease) in cash and cash equivalents	807.76	-	807.76
Cash and cash equivalents as at April 1, 2017	2,760.90	-	2,760.90
Cash and cash equivalents as at March 31, 2018	**3,568.66**	**-**	**3,568.66**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 49 : First time adoption of Ind AS (contd.)

Explanations for Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS at transition date

Note i : Loans

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for expected credit loss on loans credit. As a result, the allowance for expected credit loss is Rs 9.72 Lakhs as at March 31, 2018 and Rs 114.43 lakhs as at April 01, 2017. Loans are to be tested for impairment using Expected Credit loss model (ECL), accordingly there was ECL reversal of ₹ 104.71 lakhs during the year ended March 31, 2018.

Note ii : Investments

A financial instrument that is held within a business model to collect contractual cash flows and the contractual terms of which give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount is measured at amortised cost. Interest on these investment is calculated on the basis of effective interest rate (EIR). Initial recognition of all financial assets is done at fair value. On transition date due to recognisation of Interest the other equity increased by ₹ 2,241.40 lakhs as on April 1, 2017 and by ₹ 3,428.90 lakhs as on March 31, 2018.

Also as per IND AS 109, Investments in preference shares were remeasured at fair value initially and subsequently at amortised cost from date of issue, thus due to this adjustment the Other Equity reduced by ₹ 3,195.61 lakhs as on April 1, 2017 and ₹ 3,833.29 lakhs as on March 31, 2018 including amount of ₹ 637.67 reduction of fair value of preference share received on account of one time settlement (refer note 43).

Note iii : Non-Current Assets Held for Sale

As per Ind AS, if the entity decides to recover carrying amount of it's Investment Property through sale rather than its continuous use. than the said asset will be classified as Non-Current assets held for Sale. Accordingly a commercial property is classified as held for sale.

Note iv : Interest Income

As per Ind AS 109, Interest Income on financial Instruments is to be recognised using effective interest rate method, accordingly Interest income on preference share of ₹ 1,187.58 lakhs is recognised in Profit and loss Account for the year ended March 31, 2018.

Note v : Remeasurement of post-employment benefit obligation

As per Ind AS, remeasurement i.e. actuarial gain/loss and return on plan assets, excluding amount included in net interest expense on the net defined benefit asset/liability are recognised in other comprehensive income instead of profit and loss. Under the Previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, profit/loss for the year ended March 31, 2018 decreased by ₹ 10.84 lakhs. There is no impact on total equity as at March 31, 2018.

Note vi: Retained earnings

Retained earnings has been adjusted consequent to the above Ind AS transition adjustments.

Note 50 : Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management Committee of the Company is supported by the Finance team and experts of respective business divisions that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimizing returns; and
- protect the Company's financial investments, while maximizing returns.

The Treasury department is responsible to maximize the return on company's internally generated funds.

A. Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counter-party fails to meet its contractual obligations.

Investment in debt instrument:

The Company assesses and manages credit risk based on credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The Company has accounted impact of credit risk as set out in note 2(i) wherever requires.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 50 : Financial risk management (contd.)

Loan :

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any security.

The Company is adhere to guideline on provisioning for non-performing assets as defined by the RBI.

B. Management of Market risks

Market risks comprises of:

- price risk; and

- interest rate risk

The company does not designate any fixed rate financial assets as fair value through profit and loss nor at fair value through OCI. Therefore company is not exposed to any interest rate risks. Similarly company does not have any financial instrument which is exposed to change in price.

C. Management of Liquidity Risk:

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the company's credit rating and impair investor confidence.

Maturity of financial assets and liabilities as at March 31, 2019 (₹ in '000)

Particulars	less than 3 months	3 - 12 months	1-2 years	2-5 years	More than 5 years	Total
Financial assets						
Cash and cash equivalents	14,108.08	-	-	-	-	14,108.08
Bank balances other than above	26,043.80	85,842.14	5,000.00	-	-	116,885.94
Other receivables	500.80	608.36	35.43	-	-	1,144.60
Loans	-	18,500.00	-	25,764.09	-	44,264.09
Investments	-	-	-	-	4,332,015.58	4,332,015.58
Other financial assets	11.30	-	-	-	41.50	52.80
Total Undiscounted financial assets	**40,663.98**	**104,950.50**	**5,035.43**	**25,764.09**	**4,332,057.08**	**4,508,471.09**
Financial liabilities						
Trade payable	1,978.00	-	-	-	-	1,978.00
Other financial liabilities	2,359.07	-	-	-	-	2,359.07
Total Undiscounted financial liabilities	**4,337.07**	**-**	**-**	**-**	**-**	**4,337.07**
Net undiscounted financial assets/ (liabilities)	**36,326.91**	**104,950.50**	**5,035.43**	**25,764.09**	**4,332,057.08**	**4,504,134.02**

Maturity of financial assets and liabilities as at March 31, 2018 (₹ in '000)

Particulars	less than 3 months	3 - 12 months	1-2 years	2-5 years	More than 5 years	Total
Financial assets						
Cash and cash equivalents	3,568.66	-	-	-	-	3,568.66
Bank balances other than above	15,439.24	21,217.74	-	-	-	36,656.98
Other receivables	516.92	292.56	-	-	-	809.48
Loans	60,777.71	-	23,500.00	15,764.09	-	100,041.80
Investments	-	-	140,008.00	-	4,656,682.16	4,796,690.16
Other financial assets	1,247.57	-	-	-	41.50	1,289.07
Total Undiscounted financial assets	**81,550.10**	**21,510.30**	**163,508.00**	**15,764.09**	**4,656,723.66**	**4,939,056.15**
Financial liabilities						
Trade payable	1,782.21	-	-	-	-	1,782.21
Other financial liabilities	2,954.52	-	-	-	-	2,954.52
Preference shares, Unquoted	**4,736.73**	**-**	**-**	**-**	**-**	**4,736.73**
Net undiscounted financial assets/ (liabilities)	**76,813.37**	**21,510.30**	**163,508.00**	**15,764.09**	**4,656,723.66**	**4,934,319.42**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 50 : Financial risk management (contd.)

Maturity of financial assets and liabilities as at April 1, 2017 (₹ in '000)

Particulars	less than 3 months	3 - 12 months	1-2 years	2-5 years	More than 5 years	Total
Financial assets						
Cash and cash equivalents	2,760.90					2,760.90
Bank balances other than above	8,557.56	16,500.00	-			25,057.56
Other receivables	3,080.01	305.09	-			3,385.10
Loans	721,681.05		50,000.00	35,000.00		806,681.05
Investments					4,340,793.54	4,340,793.54
Other financial assets	929.91				190.09	1,120.00
Total Undiscounted financial assets	**737,009.43**	**16,805.09**	**50,000.00**	**35,000.00**	**4,340,983.63**	**5,179,798.15**
Financial liabilities						
Trade payable	2,170.82					2,170.82
Borrowings other than debt securities	222.46	75.47				297.93
Other financial liabilities	3,557.56					3,557.56
Total Undiscounted financial liabilities	**5,950.84**	**75.47**	**-**	**-**	**-**	**6,026.31**
Net undiscounted financial assets/(liabilities)	**731,058.59**	**16,729.62**	**50,000.00**	**35,000.00**	**4,340,983.63**	**5,173,771.84**

D. Capital Management

The company considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the balance sheet includes retained profit and share capital.

The company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders.

Note 51 : Disclosure in terms of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

51(A) : Capital

Particulars	As at March 31, 2019	As at March 31, 2018
CRAR (%)	73.46	66.50
CRAR - Tier I Capital (%)	73.44	66.48
CRAR - Tier II Capital (%)	0.02	0.02
Amount of subordinated debt raised as Tier-II Capital (₹ in lacs)	-	-
Amount raised by issue of perpetual Debt Instruments (₹ In lacs)	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

51(B) : Investment (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
(1) Value of Investments		
(i) Gross value of investments		
(a) In India	4,379,525.07	4,796,690.16
(b) Outside India	-	-
(ii) Provision for depreciation / impairment		
(a) In India	47,509.49	-
(b) Outside India	-	-
(ii) Net value of investments		
(a) In India	4,332,015.58	4,796,690.16
(b) Outside India	-	-
(2) Movement of provision held towards depreciation/impairment on Investments		
(i) Opening balance	-	-
(ii) Add: Provision made during the year	47,509.49	-
(ii) Less: Write-off/wrote-back of excess provision during the year	-	-
(iv) Closing balance	47,509.49	-

51(C) : Derivatives

The Company does not have any exposure in derivatives during the year, hence not applicable.

51(D) : Disclosures relating to Securitisation

The Company does not have any exposure in securitisation during the year, hence not applicable.

51(E) : Assets Liability management maturity pattern of certain items of Assets and Liabilities

As at March 31, 2019 (₹ in '000)

Particulars	Deposits	Advances*	Investments	Borrowing	Foreign currency assets	Foreign currency liabilities
upto 30/31 days (One month)	-	-	-	-	-	-
Over one month upto 2 months	-	-	-	-	-	-
Over 2 months upto 3 months	-	-	-	-	-	-
Over 3 months upto 6 months	-	-	-	-	-	-
Over 6 months upto 1 year	-	18,500	-	-	-	-
Over 1 year upto 3 years	-	10,000	-	-	-	-
Over 3 years upto 5 years	-	-	-	-	-	-
Over 5 years	-	-	4,332,016	-	-	-
Total	**-**	**28,500**	**4,332,016**	**-**	**-**	**-**

As at March 31, 2018 (₹ in '000)

Particulars	Deposits	Advances*	Investments	Borrowing	Foreign currency assets	Foreign currency liabilities
upto 30/31 days (One month)	-	-	-	-	-	-
Over one month upto 2 months	-	-	-	-	-	-
Over 2 months upto 3 months	-	-	-	-	-	-
Over 3 months upto 6 months	-	-	-	-	-	-
Over 6 months upto 1 year	-	10,000	-	-	-	-
Over 1 year upto 3 years	-	23,500	-	-	-	-
Over 3 years upto 5 years	-	-	-	-	-	-
Over 5 years	-	-	4,796,690	-	-	-
Total	**-**	**33,500**	**4,796,690**	**-**	**-**	**-**

* Net of impairment allowances.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Notes:
The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration structural liquidity guidelines for assets-liabilities management (ALM) system in non-banking financial companies issued by RBI, best practices and best estimate of the Assets-Liability Committee with regard to the timing of various cash flows, which has been relied upon by the auditors.

51(F): Exposures

i) Exposure to Real Estate Sector

Particulars	As at March 31, 2019	As at March 31, 2018
a) Direct Exposure		
i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:	-	-
- Individual housing loans up to ₹ 15 lakh	-	-
- Individual housing loans above ₹ 15 lakh	-	-
ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial buildings, multi-tenanted commercial premises, multi-family residential premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.	-	-
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
1. Residential	-	-
2. Commercial Real Estate	-	-

Note: The Company has given term loans to its subsidiary and joint ventures of that subsidiary engaged in real estate business of construction of residential complexes which are not covered by the above mentioned categories. The outstanding balance of such loans is ₹ 450,546,419 (Previous year ₹ 450,546,419). The Company also has long-term equity investments in the said subsidiary of ₹ 88,613,588 (Previous year ₹ 136,123,073).

ii) Exposure to Capital Market

Particulars	As at March 31, 2019	As at March 31, 2018
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds ‘does not fully cover the advances;	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter’s contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) Bridge loans to companies against expected equity flows / issues;	-	-
viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	**-**	**-**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

51(G): Details of financing of parent company products

The Company does not have any Parent Company, hence not applicable.

51(H): Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC

The Company has not exceeded the prudential exposure limits for Single Borrower Limit (SGL) / Group Borrower Limit (GBL).

51(I): Unsecured Advances

The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.

51(J): Registration / license / authorisation obtained from other financial sector regulators:

In addition to registration with RBI as NBFC-NDSI, the Company has not obtained any registration / license / authorisation, by whatever name called, from other financial sector regulators

51(K): Ratings assigned by credit rating agencies and migration of ratings during the year:

The Company has not obtained credit ratings from credit rating agencies during the year

51(L): Disclosure of Penalties imposed by RBI or other regulators:

No penalties were imposed by RBI or SEBI (being the regulator for the Company) for the year ended 31st March, 2019.

51(M): Related Party transactions:

Please refer to note no 40

51(N): information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries:

Sr. No.	Name of joint venture and country of incorporation	Area / Country of operation
1	Future Generali India Life Insurance Company Limited (FGILICL)	India

The Company do not have overseas subsidiaries.

51(O): Remuneration of directors: (₹)

Name of director	For the year ended March 31, 2019			For the year ended March 31, 2018		
	Remuneration	Provident fund and others	Sitting fees	Remuneration	Provident fund and others	Sitting fees
Dr. B. Samal	3,600,000	1,932,000	-	3,600,000	1,932,000	-
Mr. Bipin Agarwal	-	-	360,000	-	-	300,000
Mr. Venkatesan Narayanan	-	-	810,000	-	-	690,000
Mr. Subhash Bhargava*	-	-	480,000	-	-	690,000
Mr. Deb Kumar Banerjee	-	-	390,000	-	-	450,000
Mr. Sujata Chattopadyay#	-	-	210,000	-	-	120,000
Mr. Milind Desai##	-	-	180,000	-	-	-
Mrs. Bhagyam Ramani**	-	-	-	-	-	90,000

* Resigned w.e.f. December 31, 2018
** Resigned w.e.f. June 1, 2017
# Appointed w.e.f.September 26, 2017
Appointed w.e.f. February 12, 2019

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 52 : Additional Disclosures

52(A) : Provisions and Contingencies (₹ in '000)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account:	**Year ended March 31, 2019**	**Year ended March 31, 2018**
Provisions for depreciation on Investment	2.60	3.64
Provision towards NPA	(424,782.33)	(455,532.33)
Provision made towards Income tax (net of deferred tax)	(98.15)	(28,949.82)
Other Provision and Contingencies (with details)		
Provision towards impairment of financial instruments	47,509.49	-
Provision for contingency	5,000.00	5,000.00
Provision for gratuity	107.56	141.40
Provision for compensated absences	(56.38)	(2.55)
Provision for Standard Assets	115.29	135.24

52(B) : Draw Down from Reserves

The company has not made any drawdown from reserves during the year.

52(C) : Concentration of Deposits, Advances, Exposures and NPA

(i) : Concentration of Deposits (for deposit taking NBFCs)

The Company is non-deposit taking Systemically Important NBFC, hence does not applicable.

(ii) : Concentration of Advances, Exposures and NPAs

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Advance		
Total Advances to twenty largest borrowers (₹ In '000)	469,046.42	556,546.42
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	100	100
Exposures		
Total Exposure to twenty largest borrowers / customers (₹ In '000)	1,167,538.41	1,349,179.79
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	24.32	25.2
NPAs		
Total Exposure to top four NPA accounts (₹ In '000)	440,546.42	1,093,171.79

Note: Total exposure represents gross loans and advances and investment in shares.

(iii) : Sector-wise NPAs

Sector	**Percentage of NPAs to Total Advances in that sector**	
	As at March 31, 2019	**As at March 31, 2018**
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers*	93.92	93.98
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

* includes loan and advances given to partnership firms

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

52(D) : Movement of NPAs (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Net NPAs to Net Advances (%)	35.61	93.98
(ii) Movement of NPAs (Gross)		
(a) Opening balance	523,046.42	814,582.33
(b) Additions during the year	-	73,264.09
(c) Reductions during the year	82,500.00	364,800.00
(d) Closing balance	440,546.42	523,046.42
(iii) Movement of Net NPAs		
(a) Opening balance	67,514.09	733,124.10
(b) Additions during the year	-	67,514.09
(c) Reductions during the year	51,750.00	733,124.10
(d) Closing balance	15,764.09	67,514.09
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	455,532.33	81,458.23
(b) Provisions made during the year	53,550.00	410,554.10
(c) Write-off / write-back of excess provisions	84,300.00	36,480.00
(d) Closing balance	424,782.33	455,532.33

52(E) : Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The Company does not have any Joint Ventures or Subsidiaries abroad, hence not applicable.

52(F) : Off-balance Sheet SPVs sponsored

Particulars	Domestic	Overseas
Name of the SPV sponsored	NA	NA

52(G) : Disclosure of Customer Complaints

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	-	-
No. of complaints redressed during the year	-	-
No. of complaints pending at the end of the year	-	-

52(H) : Instance of Fraud

Nature of Fraud (cash embezzlement)	Year ended March 31, 2019	Year ended March 31, 2018
Number of cases	-	-
Amount of fraud	-	-
Recovery	-	-
Amount written off	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 53 : Disclosure of Restructured Accounts

(A) : for the Year ended March 31, 2019

(₹ in lakhs)

Sl.No.	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Details																					
1	Restructured Accounts as on April 1, 2018	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-		1		1			1		1
		Amount outstanding													2,319.87	-	2,319.87	-	-	2,319.87	-	2,319.87
		Provision thereon													2,319.87		2,319.87	-	-	2,319.87	-	2,319.87
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-									
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-									
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-									
3	Upgradations to restructured standard category during year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-
		Amount outstanding													-		-	-	-	-	-	-
		Provision thereon													-		-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY																					
7	Restructured Accounts as on March 31, 2019	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	1		1			1		1
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	2,319.87	-	2,319.87	-	-	2,319.87	-	2,319.87
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	2,319.87	-	2,319.87	-	-	2,319.87	-	2,319.87

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 53 : Disclosure of Restructured Accounts (contd.)

(B) : for the Year ended March 31, 2018

(₹ in Lakhs)

Sl.No.	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts as on April 1, 2017**	**No. of borrowers**		-	-	-	-	-	-	-	-	-	-	1	-	-	1		1	-	-	1
		Amount outstanding												3,648.00		-	3,648.00	-	3,648.00	-	-	-
		Provision thereon												364.80			364.80	-	364.80	-	-	-
2	Fresh restructuring during the year (refer note 44)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-		1					1		1
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-		2,319.87					2,319.87		2,319.87
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-		2,319.87					2,319.87		2,319.87
3	Upgradations to restructured standard category during year (refer note 43)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	1	-	-	1		1	-	-	1
		Amount outstanding												3,648.00	-		3,648.00	-	3,648.00	-	-	3,648.00
		Provision thereon												364.80	-		364.80	-	364.80	-	-	364.80
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY																					
7	Restructured Accounts as on March 31, 2018	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	1		1			1		1
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	2,319.87	-	2,319.87	-	-	2,319.87	-	2,319.87
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	2,319.87	-	2,319.87	-	-	2,319.87	-	2,319.87
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	2,319.87	-	2,319.87	-	-	2,319.87	-	2,319.87

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 54 : Disclosure as required by Para 18 of Non-Banking Financial Company - Systemically Important and Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016 is as under :

As at March 31, 2019 (₹ in '000)

Particulars	Amount outstanding	Amount overdue
Liabilities side		
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid		
a) Debentures : Secured	-	-
Unsecured	-	-
(other than falling within the meaning of public deposits)		
b) Deferred credits	-	-
c) Term loans	-	-
d) Inter-corporate loans and borrowing	-	-
e) Commercial paper	-	-
f) Public deposits	-	-
g) Other loans (specify nature)	-	-
(2) Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid)		
a) In the form of unsecured debentures	-	-
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
c) Other public deposits	-	-

Assets side	**Amount Outstanding**
(3) Break-up of Loans and advances including bills receivables [other than those included in (4) below]	
a) Secured	-
b) Unsecured	44,264.09
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	
i) Lease assets including lease rentals under sundry debtors	
a) Finance lease	-
b) Operating lease	-
ii) Stock on hire including hire charges under sundry debtors	
a) Assets on hire	-
b) Repossessed Assets	-
iii) Other loans counting towards asset financing activities	
a) Loans where assets have been repossessed	-
b) Loans other than (a) above	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 54 : Disclosure as required by Para 18 of Non-Banking Financial Company - Systemically Important and Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016 is as under : (contd.) (₹ in '000)

(5) Break-up of Investments	Amount outstanding
Current Investments	
1) Quoted	
i) Shares	
a) Equity	-
b) Preference	-
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	-
v) Others (please specify)	-
2) Unquoted	
i) Shares	
a) Equity	-
b) Preference	-
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	-
v) Others (please specify)	-
Long Term Investments	
1) Quoted	
i) Shares	
a) Equity	88,613.59
b) Preference	-
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	-
v) Others (please specify)	-
2) Unquoted	
i) Shares	
a) Equity	3,700,091.25
b) Preference	543,310.74
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	-
v) Others - Immovable properties	67.36

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

(net of provisions for doubtful loans) (₹ in '000)

Category	Secured	Unsecured	Total
1 Related parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	18,500.00	18,500.00
(c) Other related parties	-	25,764.09	25,764.09
2. Other than related parties	-	-	-
Total	**-**	**44,264.09**	**44,264.09**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 54 : Disclosure as required by Para 18 of Non-Banking Financial Company - Systemically Important and Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016 is as under : (contd.) (₹ in '000)

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related parties		
(a) Subsidiaries	233,523.59	233,523.59
(b) Companies in the same group	698,491.99	698,491.99
(c) Other related parties	3,400,000.00	3,400,000.00
2. Other than related parties	103,020.60	67.36
Total	**4,435,036.18**	**4,332,082.94**

(8) Other information (₹ in '000)

Particulars	Amount
(i) Gross Non-performing Assets	
(a) Related parties	440,546.42
(b) Other than related parties	-
(ii) Net Non-performing Assets	
(a) Related parties	15,764.09
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

Note 55 :

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/disclosure.

Note 56 :

The financial statement is approved by the Board of Directors of the Company in the meeting held on May 23, 2019.

In terms of our report attached
For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

AMIT CHATURVEDI
Partner
Membership No. 103141

Mumbai: May 23, 2019

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 23, 2019

INDUSTRIAL INVESTMENT TRUST LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF INDUSTRIAL INVESTMENT TRUST LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Industrial Investment Trust Limited** (hereinafter referred to as "the Holding Company") , its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"),its associates and jointly controlled entities, comprising of the consolidated balance sheet as at March 31, 2019, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and jointly controlled entities the aforesaid Consolidated 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 consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2019, their consolidated loss including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year then ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibility for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group 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 Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 Consolidated Financial Statements.

Emphasis of Matter

a) We draw attention to Note No.46 of Consolidated Financial Statements. As stated in the note, the management of the Holding Company is of the view that, although the net-worth of Future Generali India Life Insurance Company ("FGILICL"), a Joint Venture of the Company, as at March 31, 2019 has substantially eroded, there is no diminution other than temporary in the value of investment of the Company in FGILICL as at March 31, 2019.

b) We draw attention to Note No.61 of Consolidated Financial Statements, as stated in the note financial statements of FGILICL prepared in accordance with Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the Regulations"), regarding accounting of expenses in excess of limits specified by IRDAI Expenses of Management Rules 2016, aggregating to ₹ 28773.28 lakhs pertaining to FY 2018-19 which is charged to Shareholders Account(being the 11th year of its operation). FGILICL is in the process of applying to IRDAI for forbearance for FY 2018-19.

   For FY 2016-17 and FY 2017-18(being 9th and 10th year of operation respectively) an amount aggregating to ₹ 15214.39 lakhs and ₹21914.04 lakhs respectively exceeded the limits specified by IRDAI Expenses of Management Rules 2016. FGILICL has applied to IRDAI for forbearance for 2016-17 and FY 2017-18, but approval from the IRDAI is still awaited.

c) We draw attention to Note No. 54 of Consolidated Financial Statements. The Holding Company had received letter from the Reserve Bank of India (RBI) dated June 25, 2018. Vide said letter, the RBI has prohibited the Holding Company not to expand its credit/investment portfolio other than investment in Government Securities till net NPAs are brought down to below 5%.

   The Board of the Holding Company in its meeting held on August 13, 2018 discussed and deliberated on the issues raised by RBI. The board of the Holding Company drew an action plan for the same and submitted response to the RBI accordingly.

d) We draw attention to Note No. 58 of the Consolidated Financial Statement regarding investment in its subsidiary IITL Projects Limited. The subsidiary is incurring continuous losses and the net worth of the subsidiary is negative as on March 31, 2019. The Management of the company is of the view, for the reasons stated in the note, that impairment of ₹ 475.09 lakhs towards equity investment as at March 31, 2019 is considered adequate and company has fully provided for loss of ₹ 4002.27 lakhs on account of change in fair value of preference shares as at March 31, 2019.

e) We draw attention to Note No. 58 of the Consolidated Financial Statement regarding investment in its jointly controlled entity Capital Infra Projects Limited. The Management is of the view, for the reasons stated in the note about the adverse cash flow of the joint venture, its ability to continue as going concern is uncertain. The Company has fully provided for loss of ₹ 1610.09 lakhs on account of change in fair value of preference shares as at March 31, 2019.

Our opinion is not modified in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key Audit Matter	How Key Audit Matter was addressed in our Audit
Carrying Value of Investment (Refer Note 2 (i) "Financial Instrument" and Note 7 and Note 46 of the Standalone Financial Statements) The Company has identified carrying value of Investment as a key audit matter. The investment portfolio is valued at Rs. 4332015.58 (in thousands) which represents almost 93.78% of the total assets of the Company as at March 31, 2019. The Impairment review of unquoted investment is considered to be risk area due to the size of the balances as well as the judgmental nature of key assumptions which may be subject to management override. The carrying value of such unquoted investment instrument is at risk of recoverability. The net worth of the underlying entity has significantly eroded. The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows and there is limited headroom available.	Our audit procedures included and were not limited to the following: i. Reviewed the Accounting Policies used by the Company for accounting and disclosing Investments for compliance with the accounting framework. ii. Evaluating the valuation methodology recommended by the valuation expert. iii. Assessed the adequacy of internal controls, evaluated the design and tested the operating effectiveness of such controls for initial recognition, subsequent measurement and disclosure of investments as on the reporting date as per applicable regulations. iv. Evaluating Sensitivity analysis by performing sensitivity analysis in relation to the key assumptions. v. We also assessed whether the disclosures in relation to investments are compliant with the relevant Indian accounting requirements. Based on the above procedure performed, the management's assessment in respect of impairment risk of investment is considered to be reasonable.

The following Key Audit Matters were included in the audit report dated May 22, 2019, containing an unmodified audit opinion on the financial statements of IITL Projects Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountant reproduced as under:

Key Audit Matter	How Key Audit Matter was addressed in our Audit
A. Going Concern Assessment The auditors of IITL Projects Limited, a subsidiary of the Holding Company has reported Going Concern as a key audit matter due to current status of the Real estate industry and in particular adverse cash flows of the two Joint Venture namely, IITL-nimbus The Express park view, and Capital Infra Projects Private Limited, the subsidiary's ability to continue as going concern is uncertain and its financial statements were prepared on a going concern basis. Refer Note 59 to the Consolidated Financial Statements.	Our audit procedures included and were not limited to the following: We evaluated the appropriateness of management's use of going concern basis of accounting in the preparation of financial statements in accordance with Standard on Auditing issued by ICAI in this regard. We evaluated the management's plans for future actions in relation to its going concern assessment, to assess whether the outcome of those plans is likely to improve the situation and whether management's plans are feasible in the circumstances. As reported to us by the subsidiary auditor, the following procedures have been performed by them: Based out the audit procedures and tests of the management estimates of the standalone cash flows there exists a significant doubt on the company's ability to continue as a going concern. This is also brought out in our audit opinion in Separate paragraph "Material Uncertainty Related to Going Concern"
B. Impairment provision for investments in Two joint ventures The auditors of IITL Projects Limited, a subsidiary of the Holding Company has reported Impairment provision for investments in Two joint ventures as a key audit matter. Based on the financial statement of Joint Ventures as well as estimated cash flow impairment loss for the full carrying value is recognized as impairment loss.	Our audit procedures included and were not limited to the following: Understanding and evaluating the design and implementation and operating effectiveness of the Parent Company's control over review of impairment assessment of investment. As reported to us by the subsidiary auditor, the following procedures have been performed by them: We applied our audit review procedures on the JV financials audited by other auditors as well as the estimate of the cash flows made by the management. Based on the procedures applied, we concluded necessary provision of impairment is made.

The following Key Audit Matters were included in the audit report dated May 22, 2019, containing an unmodified audit opinion on the financial statements of IIT Investrust Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountant reproduced as under:

Key Audit Matter	How Key Audit Matter was addressed in our Audit
The Company has given advances to group company amounting of ₹ 50 lakhs during the year ended March 31, 2019. Considering the financial position of the Group Company, the Company has provided for Impairment.	Our audit procedures included and were not limited to the following: In respect of the key audit matter reported to us by the auditors of IIT Investrust Limited, we performed inquiry of the audit procedures performed by them to address the key audit matter. As reported to us by the subsidiary auditor, the following procedures in relation to management's assessment of impairment risk and financial exposure included the following : Evaluating and validating the design and operating effectiveness of the controls over determination of recoverable value of advances (including assumptions and judgements). Assessing along with the auditors' experts the reasonableness of the Company's process regarding impairment assessment and assumptions used in the impairment model; Evaluating the Company's impairment testing results against our expectations; Testing the mathematical accuracy of the underlying calculations. Based on the above procedures performed, the management's assessment in respect of impairment risk of financial exposure is considered to be reasonable.

Information Other than the Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements and our auditors' report thereon.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group, including its associates and jointly controlled entities are in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are also responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 Consolidated 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 Holding 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 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 on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated 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 auditors' report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other Matters

a) We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of ₹ 5158.94 lakhs and net assets of ₹ (1140.74) lakhs as at March 31, 2019, and total revenues of ₹ 512.33 lakhs, total comprehensive income (comprising of loss and other comprehensive income) of ₹ (1504.40) Lakhs and net cash outflows amounting to ₹ 51.67 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income of ₹ (4447.63) lakhs for the year ended March 31, 2019, as considered in the consolidated financial statements, in respect of two associate and five joint venture entities whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and jointly controlled entities, and our report in terms of sub-sections (3) of Section 143 of the Act, including report on Other Information in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of such other auditors

b) The Holding Company had prepared consolidated financial results for the year ended March 31 2018, based on the consolidated financial statements for the year ended March 31, 2018, prepared in accordance with Accounting Standard ('AS') prescribed under Sec 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other accounting principles generally accepted in India, on which we issued auditor's report dated May 29, 2018. These consolidated financial results for the year ended March 31, 2018 have been adjusted for the differences in accounting principles adopted by the Group on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

c) In case of FGILICL, their auditors in their report under Other Matters paragraph stated that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is the responsibility of the Company's Appointed Actuary(the "Appointed Actuary"), which has been certified by the Appointed Actuary in accordance with relevant regulations. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with the applicable guidelines and norms, if any, issued by Insurance Regulatory Development Authority of India ("IRDAI") and the Actuarial Society of India in concurrence with the IRDAI. Accordingly, FGILICL auditors have relied upon the Appointed Actuary's certificate for forming their opinion on the financial statements of the Company.

Our opinion on the Consolidated Financial Statements, and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, 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 purposes of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of other auditors;

c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate company and jointly controlled entities incorporated in India, none of the directors of the Group's companies, its associate companies and jointly controlled entities incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

f) In respect of IIT Insurance Broking & Risk Management Private Limited, the auditor of the company has reported that as per Regulation 26(2) of The IRDA (Insurance Brokers) Regulation 2013, Insurance Broker promoted by the Corporate House having an insurance Company within their group, not more than 25 percent of the insurance handled by the Insurance Broker shall be placed with the Insurance Company within the promoter group. During the year the Company has handled renewal insurance business of more than 25 percent with Future Generali India Life Insurance Company Limited, which is an insurance company within the promoter group.

g) With respect to the adequacy of the internal financial controls over financial reporting with reference to the Financial Statements of the Group and operating effectiveness of such controls, refer to our separate Report in "Annexure A";

h) In our opinion and based on the consideration of report of other statutory auditors of the subsidiaries, associates and jointly controlled entities incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid/provided by the Holding Company, its subsidiaries, associates and jointly controlled entities incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and jointly controlled entities in its Consolidated Financial Statements-Refer Note 42 and Note 61 to the Consolidated Financial Statements.

   ii Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Notes 21 to the Consolidated Financial Statements in respect of such items as it relates to the Group, its associates and jointly controlled entities.

   iii There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, its associates and jointly controlled entities incorporated in India.

For Chaturvedi & Shah LLP
Chartered Accountants
(Firm Registration no. 101720W/ W100355)

Amit Chaturvedi
Partner
Membership No.: 103141

MUMBAI: May 23, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (g) of the Independent Auditor's Report of even date to the members of Industrial Investment Trust Limited on the Consolidated Financial Statements for the year ended March 31, 2019

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

In conjunction with our audit of the consolidated financial statements of **Industrial Investment Trust Limited** as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Industrial Investment Trust Limited (hereinafter referred to as the "Holding Company") and its subsidiaries, its associates and jointly controlled entities incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiaries, its associates and jointly controlled entities which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 ("the 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 the respective entity'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.

Auditor's Responsibility

Our responsibility is to express an opinion on Holding Company, its subsidiaries, its associates and jointly controlled entities which are incorporated in India, internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by the ICAI, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, 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 with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company, its subsidiaries, its associates and jointly controlled entities, which are incorporated in India, have, maintained in all material respects, adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding 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.

OTHER MATTERS

a) Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company, in so far as it relates to separate financial statements of 4 subsidiaries, 2 associates and 5 jointly controlled entities, which are incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and jointly controlled entities incorporated in India, to the extent applicable.

b) In case of FGILICL, their auditors in their report under Other Matters paragraph stated that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is required to be certified by the Appointed Actuary as per the regulations, and has been relied upon by them, as mentioned in their Audit Report of standalone financial statements for the year ended March 31, 2019. Accordingly, they did not perform any procedures related to adequacy of internal financial control on the operating effectiveness of the management's internal controls over the valuation and accuracy of the aforesaid actuarial valuation and they have relied upon representation by the management on the operating effectiveness of internal controls over the valuation and accuracy of the aforesaid actuarial valuation.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration no. 101720W/W100355

Amit Chaturvedi
Partner
Membership No.: 103141

MUMBAI: May 29, 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(₹ in '000)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
ASSETS				
I. Financial assets				
Cash and cash equivalents	3	21,555.00	10,963.93	9,638.84
Bank balances other than above	4	155,258.02	60,591.03	50,497.07
Receivables	5			
(i) Trade receivables		8,593.88	13,947.01	29,399.83
(ii) Other receivables		1,923.47	1,581.83	1,479.43
Loans	6	106,277.09	50,529.21	437,621.34
Investments	7	3,378,120.36	3,846,812.14	4,304,849.37
Other financial assets	8	15,770.71	16,753.38	16,636.70
		3,687,498.53	**4,001,178.53**	**4,850,122.58**
II. Assets Classified as held for sale	9	47,723.22	-	22.03
III. Non-financial assets				
Inventories	10	39,200.66	37,816.24	49,944.78
Current tax assets (net)	11	42,151.50	33,577.75	46,347.33
Deferred tax assets (net)	12	64,260.71	64,256.36	24,111.96
Investment property	13	-	69.96	73.60
Property, plant and equipment	14	4,004.40	129,698.59	135,099.70
Goodwill		88,816.01	88,816.01	88,816.01
Other intangible assets	15	99.77	106.37	231.56
Other non-financial assets	16	25,011.73	23,738.99	18,730.51
		263,544.78	**378,080.27**	**363,355.45**
Total Assets		**3,998,766.53**	**4,379,258.80**	**5,213,500.06**
LIABILITIES AND EQUITY				
I. LIABILITIES				
Financial Liabilities				
Payables	17			
(i) Trade payables				
- total outstanding dues of micro enterprises and small enterprises		7.08	-	-
- total outstanding dues of other than micro enterprises and small enterprises		7,145.50	8,270.26	23,041.74
Borrowings (other than debt securities)	18	-	9,183.00	19,476.93
Other financial liabilities	19	199,297.85	105,373.69	107,275.51
		206,450.43	**122,826.95**	**149,794.18**
Non-financial Liabilities				
Current tax liabilities (net)	20	3,146.31	25.50	25.50
Provisions	21	9,126.65	9,143.35	9,478.05
Deferred tax liabilities (net)	22	11.69	25.12	30.09
Other non-financial liabilities	23	77,498.17	54,846.37	13,311.02
		89,782.82	**64,040.34**	**22,844.66**
II. EQUITY				
Equity share capital	24	225,475.50	225,475.50	225,475.50
Other equity	25	3,477,057.78	3,966,916.01	4,810,032.52
Non-controlling interest	26	-	-	5,353.20
		3,702,533.28	**4,192,391.51**	**5,040,861.22**
Total Liabilities and Equity		**3,998,766.53**	**4,379,258.80**	**5,213,500.06**

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report attached
For CHATURVEDI & SHAH LLP
Chartered Accountants
Firm Registration No. 101720W/W100355

AMIT CHATURVEDI
Partner
Membership No. 103141

Mumbai: May 23, 2019

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 23, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in '000)

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from Operations			
Interest income	27	135,711.01	122,156.07
Dividend income	28	7.99	7.98
Fees and commission income	29	3,220.73	3,814.84
Sale of products	30	2,827.61	16,038.95
Sale of services	31	3,000.00	3,000.00
Others	32	84,259.52	33,108.37
Total revenue from operations		**229,026.86**	**178,126.21**
Other income	33	4,540.11	12,888.05
Total Income		**233,566.97**	**191,014.26**
Expenses			
Finance costs	34	683.76	2,277.17
Net loss on fair value changes	35	161,009.20	-
Impairment on financial instruments	36	30,913.57	404,804.10
Changes in inventories of finished goods, stock-in-trade and work-in-progress	37	1,923.42	12,128.54
Employee benefits expenses	38	21,445.76	24,750.21
Depreciation, amortization and impairment	39	694.34	5,427.75
Other expenses	40	31,724.40	95,600.65
Total Expenses		**248,394.45**	**544,988.42**
Profit/(loss) before exceptional items, share of net profit of investment accounted for using equity method and tax		**(14,827.48)**	**(353,974.16)**
Share of net profit/(loss) of joint ventures and associates accounted for using equity method		(444,763.38)	(428,754.10)
Profit/(loss) before exceptional items and tax		**(459,590.86)**	**(782,728.26)**
Exceptional items		-	96,078.14
Profit/(loss) before tax		**(459,590.86)**	**(878,806.40)**
Tax expenses	41		
Current tax		2,872.14	6,404.74
Deferred tax		(64.40)	(35,605.53)
		2,807.74	(29,200.79)
Profit/(loss) for the year		**(462,398.60)**	**(849,605.61)**
Share of profit/(loss) attributable to non-controlling interest		-	(5,370.26)
Profit/(loss) for the year		**(462,398.60)**	**(844,235.35)**
Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability/asset		(179.33)	(1,154.05)
Tax on remeasurement of defined benefit		46.63	18.16
		(132.70)	**(1,135.89)**
Total comprehensive income for the year		**(462,265.90)**	**(843,099.46)**
Profit/(Loss) is attributable to :			
Owners		(462,398.60)	(844,235.35)
Non-Controlling interest		-	(5,370.26)
		(462,398.60)	**(849,605.61)**
Other Comprehensive income attributable to :			
Owners		(132.70)	(1,118.84)
Non-Controlling interest		-	(17.05)
		(132.70)	**(1,135.89)**
Earning per Equity Shares of ₹10 each (not annualised)			
- Basic and Diluted		**(20.51)**	**(37.68)**

In terms of our report attached
For CHATURVEDI & SHAH LLP
Chartered Accountants
Firm Registration No. 101720W/W100355

AMIT CHATURVEDI
Partner
Membership No. 103141

Mumbai: May 23, 2019

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 23, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(A) Share capital

(₹ in '000)

	Equity Share Capital
As at April 1, 2017	225,475.50
Changes in equity share capital	-
As at March 31, 2018	225,475.50
Changes in equity share capital	-
As at March 31, 2019	225,475.50

(B) Other equity

1. Reserve and Surplus

(₹ in '000)

Particulars	Capital Reserve	Securities Premium	General Reserve	Special Reserve	Retained earnings	Total
Opening balance						
Balance as at April 1, 2017	0.75	4,466,487.47	192,267.51	322,407.00	(171,130.21)	**4,810,032.52**
Changes in equity during the year						-
Loss for the year	-	-	-	-	(844,235.35)	**(844,235.35)**
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	-	1,118.84	**1,118.84**
Balance as at March 31, 2018	**0.75**	**4,466,487.47**	**192,267.51**	**322,407.00**	**(1,014,246.72)**	**3,966,916.01**
Balance as at April 1, 2018*	0.75	4,466,487.47	192,267.51	322,407.00	(1,041,839.05)	**3,939,323.68**
Changes in equity during the year						
Loss for the year	-	-	-	-	(462,398.60)	**(462,398.60)**
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	-	132.70	**132.70**
Balance as at March 31, 2019	**0.75**	**4,466,487.47**	**192,267.51**	**322,407.00**	**(1,504,104.95)**	**3,477,057.78**

* Included adjustment on account applicability of Ind AS 115

2. Non-Controlling Interest

(₹ in '000)

Particulars	Total
Balance as at April 1, 2017	**5,353.21**
Changes in equity during the year	
Profit attributable	**(5,370.26)**
Other Comprehensive Income attributable	**17.05**
Balance as at March 31, 2018	**-**
Balance as at 1st April, 2018	**-**
Changes in equity during the year	
Profit attributable	**-**
Other Comprehensive Income attributable	**-**
Balance as at March 31, 2019	**-**

* Included adjustment on account applicability of Ind AS 115

The above statement of change in equity should be read in conjunction with the accompanying notes.

In terms of our report attached
For CHATURVEDI & SHAH LLP
Chartered Accountants
Firm Registration No. 101720W/W100355

AMIT CHATURVEDI
Partner
Membership No. 103141

Mumbai: May 23, 2019

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 23, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(loss) before tax	(459,590.86)	(878,806.40)
	Adjustments for:		
	Depreciation and amortisation	694.34	5,427.75
	Profit on sale of property, plant and equipment	(2,141.00)	(47.30)
	Profit on sale of investment properties (net)	-	(30,428.57)
	Impairment on financial instruments	30,913.57	404,804.10
	Impairment of property, plant and equipment	33.91	135.72
	Net loss on fair value changes	161,009.20	-
	Interest income	(135,736.00)	(124,052.57)
	Exceptional items	-	96,078.14
	Loss on remeasurement of financial assets	-	63,767.66
	Reversal of provision for sub-standard loan	(84,300.00)	-
	Reversal of expected credit loss	-	(2,447.88)
	Reversal of contingent provision against standard assets	(19.95)	(172.48)
	Liabilities written back	(664.58)	(10,800.68)
	Dividend income	(7.99)	(7.98)
	Share of profit/loss from associates and joint ventures	444,763.38	428,754.09
	Revenue from consultancy services	3,000.00	3,000.00
	Finance cost - Interest on borrowing	611.41	2,201.93
	Operating profit/(loss) before working capital changes	**(41,434.57)**	**(42,594.47)**
	Changes in working capital		
	Trade and other receivables	7,214.79	13,708.91
	Inventories	(1,384.42)	12,128.54
	Other assets	4,396.28	21.46
	Dividend account balance with bank	580.17	618.32
	Equity shares held for trading	(535.22)	401.21
	Trade and other payables	(270.52)	(2,978.96)
	Other liabilities	3,959.85	(18,508.76)
	Other adjustments		
	Bank balance not considered as cash and cash equivalents	(95,247.16)	(10,712.28)
	Proceeds from sale of investment properties	-	28,450.60
	Loans given:		
	- Associates	-	(1,000.00)
	- Joint Ventures	-	(10,000.00)
	Loans received back:		
	- Associates	31,000.00	11,500.00
	Interest received:		
	- Associates	6,531.86	7,715.72
	- Joint Ventures	21,059.94	21,334.37
	Cash generated/(used in) from operations	**(64,129.00)**	**10,084.66**
	Direct tax paid/(refund)	(8,300.09)	3,699.34
	Net Cash inflow/(outflow) from operating activities	**(72,429.09)**	**13,784.00**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(purchase) of property, plant and equipment	79,460.28	(90.22)
Sale/(purchase) of Intangible assets	-	103.99
Dividend income	7.99	7.98
Deposit placed against disputed property tax	(3,601.81)	(4,678.35)
Interest received	5,469.78	5,407.63
Advance received against sale of a units of investment property	17,143.17	-
Capital contribution to partnership firm	(5,000.00)	-
Net Cash inflow/(outflow) from investment activities	**93,479.41**	**751.03**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings	(9,183.00)	(10,293.93)
Finance costs	(696.08)	(2,297.69)
Dividend / IPF payment	(580.17)	(618.32)
Net Cash inflow/(outflow) from financing activities	**(10,459.25)**	**(13,209.94)**
Net increase/(decrease) in cash and cash equivalents	**10,591.07**	**1,325.09**
Cash and cash equivalents at the beginning of the year	10,963.93	9,638.84
Cash and cash equivalents at the end of the year	**21,555.00**	**10,963.9**

Notes:

1. The above statement of cash flows should be read in conjunction with the accompanying notes.
2. Cash from operating activities has been prepared following the Indirect method.

In terms of our report attached
For CHATURVEDI & SHAH LLP
Chartered Accountants
Firm Registration No. 101720W/W100355

AMIT CHATURVEDI
Partner
Membership No. 103141

Mumbai: May 23, 2019

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 23, 2019

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

1.1 Statement of compliance

The Consolidated financial statements of Industrial Investment Trust Limited ("the Holding Company" or "the Company") and its Subsidiaries (collectively referred to as "the Group") for the year ended March 31, 2019 have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

The principal activities of the Group, its jointly controlled entities and associates consist of investment, Insurance brokerage services, real estate and investment brokerage services. Further details about the business operations of the Group are provided in Note 60 - Segment Information.

1.2 (i) The financial statements of the following subsidiaries have been consolidated as per Accounting standard 21 on "Consolidated Financial Statements" as specified under Section 133 of the 2013 Act.

Name of Subsidiary	For the year ended March 31, 2019	For the year ended March 31, 2018
	Extent of holding (%)	Extent of holding (%)
(i) IIT Investrust Limited (IITIL)	99	99
(ii) IIT Insurance Broking and Risk Management Private Limited (IITIBRMPL)	100	100
(iii) IITL Projects Limited (IITLPL)	71.74	71.74
(iv) IITL Corporate Insurance Services Private Limited (IITLCISPL)	100	100

All the subsidiaries mentioned above are incorporated in India

(ii) The financial statements of the following jointly controlled entities, have been consolidated as per Accounting standard 27 on "Financial Reporting of Interest in Joint Ventures" as specified under Section 133 of the 2013 Act.

Name of Jointly Controlled Entity	For the year ended March 31, 2019	For the year ended March 31, 2018
	Extent of holding (%)	Extent of holding (%)
(i) Capital Infraprojects Private Limited (CIPL)	50	50
(ii) IITL Nimbus The Hyde Park Noida (INHP) - Partnership Firm	50	50
(iii) IITL Nimbus The Express Park View (INEPV) - Partnership Firm	50	47.5
(iv) IITL Nimbus The Palm Village (INPV) - Partnership Firm	50	47.5
(v) Future Generali India Life Insurance Company Limited (FGILICL)	17.73	18.80

All the jointly controlled entities mentioned above are incorporated in India

(iii) The following associates, investment in which is accounted using equity method as per Accounting standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" as specified under Section 133 of the 2013 Act.

Name of Associates	For the year ended March 31, 2019	For the year ended March 31, 2018
	Extent of holding (%)	Extent of holding (%)
(i) Golden Palms Facility Management Private Limited (GPFMPL) (w.e.f. 27.07.2015)	50	50
(ii) World Resorts Limited (WRL)	25	25

1.3 Principles of consolidation:

The Consolidated Financial Statements have been prepared on the following basis:

(i) The Financial statements of the Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 on 'Consolidated Financial Statements' as specified under Section 133 of the 2013 Act.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

1.3 Principles of consolidation: (contd.)

(ii) The financial statements of the jointly controlled entities have been consolidated on a equity basis by adding share of profit/loss.

(iii) The financial statements of the subsidiaries, jointly controlled entities and associates used in the consolidation are drawn up to the same reporting date as that of the Company, i.e. March 31, 2019.

(iv) The excess of cost to the Company of its investment in the subsidiaries over the Company's portion of equity, at the dates on which the investments are made/acquired, is recognised in the financial statements as Goodwill being an asset in the Consolidated Financial Statements. Alternatively, where the share of equity in the subsidiaries as on the dates of investment /acquisition is in excess of cost of the investment of the company, it is recognised as Capital Reserve and shown under the head Reserves & Surplus in the Consolidated Financial Statements.

(v) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned directly or indirectly, by the Parent Company.

(vi) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital reserve as the case may be.

1.4 Basis of preparation

The financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended till date and notification issued by Ministry of Corporate affairs on October 11, 2018 for NBFC For all periods upto and including the year ended March 31, 2018 the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). The year ended March 31, 2019 is the first period for which the Group has prepared its financial statements in accordance with Ind AS. The previous period comparatives for the period ended March 31, 2018 which were earlier prepared as per the aforesaid Companies (Accounts) Rules, 2014 have been restated as per Ind AS to make them comparable. The date of transition to Ind AS is therefore April 1, 2017 for which the Opening Balance Sheet is prepared.

The Company follows the Systemically Important Non-Banking Financial (Non Deposit taking Company or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 (RBI guidelines).

The financial statements have been prepared on a historical cost basis, except for the following:

a) certain financial assets and liabilities are measured at fair value; and

b) defined benefit plans - plan assets measured at fair value

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.5 Use of Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements. The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2 Significant Accounting Policies

a) Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less depreciation. Cost of acquisition comprises its purchase price including import duties and other nonrefundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The residual useful life of Property, Plant and Equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates. Depreciation methods, estimated useful lives and residual value Depreciation on all assets of the Company is charged on straight line method over the useful life of assets mentioned in Schedule II to the Companies Act ,2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year.

The management's estimated useful life/useful life as per schedule II whichever is lower for the various tangible assets are as follows.

Assets	Estimated Useful Life (Years)
Buildings	60 Years
Furniture and fixtures	10 Years
Computers	2-5 Years
Office Equipment	5 Years
Vehicles	8 Years

b) Goodwill

Goodwill on Acquisition

Goodwill on acquisition represents excess of consideration paid for acquisition of business over the fair value of net assets. Goodwill is not amortised but is tested for impairment at each reporting date.

Goodwill on Consolidation

Goodwill on consolidation represents excess cost of investment over the company's share of equity that is carried in balance sheet and is tested for impairment at each reporting date.

(c) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The management has estimated the economic useful life for the various intangible assets as follows.

Assets	Estimated Useful Life (Years)
Computer Software	3 Years

(d) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortized cost using effective interest rate method less provision for impairment by applying expected credit loss.

(e) Borrowings

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(f) Impairment Loss

Assets subject to amortization/depreciation are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill for which impairment losses have been recognized are tested at each balance sheet date in the event that the loss has reversed.

(g) Inventories :

a) Stock of units in completed projects and construction work-in-progress are valued at lower of cost and net realisable value. Cost is aggregate of land cost, premium for development rights, materials, contract works, direct expenses, provisions and apportioned borrowing costs and is net of material scrap receipts, and in case of construction work-in-progress is after ascertaining the cost of sales which is determined based on the total area sold as at the Balance Sheet date.

b) Stock of shares held as inventory has been valued at Cost or Market price whichever is lower. Cost is determined on weighted average basis.

(h) Cash & Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), CBLO, Reverse Repo, highly liquid mutual funds and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(i) Foreign Currency Transactions:

Transactions in foreign currencies are translated to reporting currency based on the exchange rate on the date of the transaction. Exchange differences arising on settlement thereof during the year are recognized as income or expense in the Statement of Profit and Loss.

Cash and bank balances, receivables and liabilities (monetary items) in foreign currencies as at the year end are translated at closing date rates and unrealized translation differences are included in the Statement of Profit and Loss.

(j) Non-Current Assets held for Sale

A Non Current Asset is classified as held for sale if its carrying amount will be recovered principally through sale rather than through its continuing use, is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale, it is highly probable that sale will take place within next 1 year and sale will not be abandoned.

(k) Investment Property

The Company Investment Property is initially recognised at cost comprising the purchase price and directly attributable transaction costs. Subsequently, it is measured at cost model which is cost less accumulated depreciation and any accumulated impairment losses, other than those which that meet the criteria and classified as held for sale.

(l) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets & Financial Liabilities

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in the Statement of Profit or Loss.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Subsequent measurement

After initial recognition, financial assets are measured at:

• fair value (either through other comprehensive income or through profit or loss), or

• amortized cost

Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset. The company classifies its debt instruments into three measurement categories:

- Amortized Cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair Value through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the period in which it arises. Interest income from these financial assets are recognized in the Statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same as at either fair value through other comprehensive income (FVOCI) or FVTPL.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Impairment of Financial Assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- financial assets that are debt instruments, and are measured at amortized cost e.g. loans, deposits, and bank balance.
- trade receivables.

  The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, which do not contain a significant financing component.

  The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Derecognition of Financial Assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Income Recognition

Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/origination of the financial liability.

Subsequent Measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(n) Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

If the effect of the time value of money is material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets

Contingent asset is disclosed when there would be a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(o) Employee Benefit Expense

i) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

In case of non-accumulating compensated absences, when the absences occur.

ii) Long-term employee benefits

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

(p) Leases

Operating lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating lease. Operating lease payments, as per terms of the agreement, are recognised as an expense in the Statement of Profit and Loss on a straight line basis in accordance with Ind AS 17.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(q) Taxes

Current taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxation

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity

MAT Credit

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the statement of profit and loss and corresponding debit is done to the deferred tax asset as unused tax credit.

(r) Earnings per share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(s) Revenue Recognition

i) Interest on all lending such as inter corporate deposits and finance against securities are accounted on time proportionate basis. In case of Parent Company, interest on non-preforming assets, where it is recognised upon realisation, as per RBI guidelines.

ii) The Group has aligned its policy of revenue recognition with Ind AS 115 “Revenue from Contracts with customers” which is effective from April 1,2018. Accordingly revenue in realty business is recognised on completion of performance obligation as against recognition based on percentage of completion method hitherto in accordance with the guidance note issued by ICAI which has since been withdrawn for entities preparing financials as per Indian Accounting Standards (Ind AS).

iii) Rental income is accrued on the basis of the agreement.

iv) Dividend income is accounted for when the same is approved in AGM by shareholders.

v) Commission and brokerage is accounted as income on the date of issue of the prime documents by the Insurance Company, except where there are material installments, in which case the brokerage is accounted on the due date of the installment.

vi) Adjustments to brokerage arising from premium additions, reductions and renewal directly deposited by the client are taken into account as and when they are know.

vii) Net income from trading of securities is accounted for on the basis of Stock Brokers Contract Notes.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

viii) Brokerage income from Primary market has been recognised on the basis of advice from the Registrar regarding allotment.

ix) Profit/Losses from share trading/investment activities is determined on the basis of weighted average carrying amount of investments and is recognised on the basis of contract notes.

(t) Functional and presentation currency

The financial statements are prepared in Indian Rupees, which is the Group functional currency.

(u) Recent Accounting Pronouncements issued but not yet effective

i) Implication of application of Ind AS 116

Ind AS 116 : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

The standard permits two possible methods of transition:

i) Full retrospective - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

ii) Modified retrospective - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee’s incremental borrowing rate at the date of initial application or

An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the ‘Modified Retrospective Approach’ for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

The Group is currently evaluating the effect of this amendment on the standalone financial statements.

The effect of adoption as on transition date would result in an increase in Right of use asset and an increase in lease liability.

ii) Implementation of amendment to Ind AS 12

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The standard permits two possible methods of transition - i) Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The Group will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 - Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, ‘Income Taxes’, in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the standalone financial statements.

iii) Implementation of amendment to Ind AS 19

Amendment to Ind AS 19 - plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, ‘Employee Benefits’, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

i) to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

ii) to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the standalone financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 3 : Cash and cash equivalents (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Cash on hand	39.66	52.44	64.48
Balances with banks			
- In current accounts	7,808.83	6,894.79	6,350.77
- in deposit accounts with original maturity of less than 3 months	13,567.83	3,969.90	3,218.04
Cheques, drafts on hand	133.60	41.72	-
Others			
- Balance in foreign currency travellers cards	5.08	5.08	5.55
Total	**21,555.00**	**10,963.93**	**9,638.84**

Note 4 : Bank balances other than above (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
In earmarked accounts - unpaid dividend accounts	2,359.07	2,939.24	3,557.56
In fixed deposit accounts	152,898.95	57,651.79	46,939.51
Total	**155,258.02**	**60,591.03**	**50,497.07**

Note 5 : Receivable

i) Trade Receivable (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Receivable considered good - secured	-	-	-
Receivable considered good - unsecured*	8,593.88	13,947.01	29,399.83
Receivable which have significant increase in credit risk	-	-	-
Receivable - credit impaired	6,540.31	6,540.31	6,540.31
Less: Impairment allowance	(6,540.31)	(6,540.31)	(6,540.31)
Total	**8,593.88**	**13,947.01**	**29,399.83**

*Includes ₹1,350,000/- (P.Y. ₹1,956,180/-) receivable from joint controlled partnership firms.

(ii) Other receivables (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Receivable considered good - secured	-	-	-
Receivable considered good - unsecured	-	-	-
from related parties			
Interest accrued and due on loans	912.48	304.03	0.10
Interest accrued but not due on loans	53.91	53.91	53.91
Other receivables	-	3.29	-
from others			
Interest accrued but not due on bank deposit	1,229.80	1,220.60	1,425.42
Less: Impairment allowance	(272.72)	-	-
Total	**1,923.47**	**1,581.83**	**1,479.43**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 6 : Loans (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
A) At amortised cost			
Term loan			
(i) Standard assets:			
to entity under significant influence	10,000.00	33,500.00	35,000.00
to associates	18,500.00	-	-
(ii) Sub-standard assets:			
to entity under significant influence	440,546.42	440,546.42	424,782.33
to associates	-	25,000.00	25,000.00
Less: expected credit loss	-	(2,447.88)	(4,895.76)
Less:- Provision for sub standard asset	(365,482.33)	(449,782.33)	(44,978.23)
(ii) Other loans:			
to entity under significant influence	5,000.00	6,000.00	5,000.00
Less: expected credit loss	(2,287.00)	(2,287.00)	(2,287.00)
	106,277.09	**50,529.21**	**437,621.34**
B) At fair value			
(i) Through Other Comprehensive Income	-	-	-
(ii) Through Profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
	-	**-**	**-**
Total	**106,277.09**	**50,529.21**	**437,621.34**

Disclosures:

i) Details of loans and advances in the nature of loans to associates, firms/companies in which directors are interested:

(₹ in '000)

Name of the Company and relationship	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Entities under significant influence			
Capital Infraprojects Private Limited	10,000.00	10,000.00	-
MRG Hotels Private Limited	-	23,500.00	35,000.00
IITL Nimbus The Express Park View	247,751.46	247,751.46	231,987.37
IITL Nimbus The Palm Village	35,000.00	35,000.00	35,000.00
IITL-Nimbus The Hyde Park Noida	162,794.96	162,794.96	162,794.96
Associates			
World Resorts Limited	18,500.00	26,000.00	25,000.00
Total	**474,046.42**	**505,046.42**	**489,782.33**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 6 : Loans (Contd.)

ii) Details of expected credit loss on loans and advances in nature of loans to associates, firms/companies in which directors are interested:

(₹ in '000)

Name of the Company and relationship	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Entities under significant influence			
IITL Nimbus The Palm Village	2,287.00	4,734.88	7,182.76
Total	**2,287.00**	**4,734.88**	**7,182.76**
Movement in expected credit loss			
Balance at the beginning of the period	4,734.88	7,182.76	7,182.76
Movement in expected Credit loss allowances during the year	(2,447.88)	(2,447.88)	-
Provision at the end of the year	2,287.00	4,734.88	7,182.76

iii) Other information

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Loans			
At Amortised Cost			
(A)			
(i) Term loans	474,046.42	505,046.42	489,782.33
Total (A) - Gross	**474,046.42**	**505,046.42**	**489,782.33**
Less: Impairment loss allowance	(2,287.00)	(4,734.88)	(7,182.76)
Less:- Provision for Non-performing asset	(365,482.33)	(449,782.33)	(44,978.23)
Total (A) - Net	**106,277.09**	**50,529.21**	**437,621.34**
(B)			
(i) Unsecured	474,046.42	505,046.42	489,782.33
Total (B) - Gross	**474,046.42**	**505,046.42**	**489,782.33**
Less: Impairment loss allowance	(2,287.00)	(4,734.88)	(7,182.76)
Less:- Provision for Non-performing asset	(365,482.33)	(449,782.33)	(44,978.23)
Total (B) - Net	**106,277.09**	**50,529.21**	**437,621.34**
(C)			
(I) Loans in India			
(i) Others			
to entity under significant influence	455,546.42	480,046.42	464,782.33
to associates	18,500.00	25,000.00	25,000.00
Total (C) - Gross	**474,046.42**	**505,046.42**	**489,782.33**
Less: Impairment loss allowance	(2,287.00)	(4,734.88)	(7,182.76)
Less:- Provision for Non-performing asset	(365,482.33)	(449,782.33)	(44,978.23)
Total (C) - Net	**106,277.09**	**50,529.21**	**437,621.34**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 7 : Investments

	Particular	Face Value	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
			Holding Nos.	Amount (₹ in '000)	Holding Nos.	Amount (₹ in '000)	Holding Nos.	Amount (₹ in '000)
(A)	**Investment in associates**							
	Equity shares, unquoted*							
	World Resorts Limited	10	13,018,125	5,215.91	13,018,125	-	13,018,125	-
	Golden Palm Facility Management Pvt. Ltd.	10	50,000	1,343.83	50,000	1,046.01	50,000	860.09
	Preference shares, Unquoted (at amortised cost)							
	World Resorts Limited	10	10,000,000	609,457.23	10,000,000	529,962.81	5,000,000	583,694.24
	Total (A)			**616,016.97**		**531,008.82**		**584,554.33**
(B)	**Investment in joint ventures**							
	Equity shares, unquoted *							
	Future Generali India Life Insurance Co. Ltd.	10	326,700,000	2,496,005.94	326,700,000	2,863,248.63	326,700,000	3,254,428.16
	Capital Infraprojects Private Limited	10	500,000	-	500,000	-	500,000	-
	Preference shares, Unquoted							
	Capital Infraprojects Private Limited	10	12,500,000	-	12,500,000	144,959.75	12,500,000	127,836.56
	Partnership Firms							
	IITL Nimbus the Hyde Park							
	Capital account			45,000.00		45,000.00		45,000.00
	Current account			562.23		22,357.44		52,391.61
	IITL Nimbus the Express Park View							
	Capital account			25,237.50		20,237.50		20,237.50
	Less: impairment loss allowance			(25,237.50)		-		-
	IITL Nimbus the Palm Village							
	Capital account			220,000.00		220,000.00		220,000.00
	Total (B)			**2,761,568.17**		**3,315,803.32**		**3,719,893.83**
(C)	**Other Investments**							
	Equity Shares (fair value through profit or loss)							
	Castrol Ltd.	5	-	-	-	-	100	43.31
	Coal India Ltd	10	-	-	-	-	300	87.84
	Hind Zinc Ltd.	2	-	-	-	-	150	43.33
	Indian Oil Corporation Ltd.	10	-	-	-	-	500	193.38
	OIL India Ltd.	10	-	-	-	-	100	33.35
	Apollo Tyre Ltd.	10	300	66.53	-	-	-	-
	Hindustan Petroleum Corporation Ltd.	10	300	24.92	-	-	-	-
	Kotak Bank Ltd.	5	78	104.19	-	-	-	-
	The New India Assurance Company Ltd.	5	500	95.38	-	-	-	-
	Reliance Industries Ltd.	10	175	238.54	-	-	-	-
	Vikas Ecotech Ltd.	1	500	5.69	-	-	-	-
	Chennai Super King Cricket Limited	10	5,695	-	-	-	-	-
	Reliance Media Works Limited	5	10,000	-	10,000	-	10,000	-
	Reliance Broadcast Network Limited	5	10,000	-	10,000	-	10,000	-
	SQL Star International Limited #	10	547,677	-	547,677	-	547,677	-
	Total (C)			**535.22**		**-**		**401.21**
	Total (A+B+C)			**3,378,120.36**		**3,846,812.14**		**4,304,849.37**

* Investments accounted for using the Equity Method.
# Listed but unquoted as scrip has been suspended due to penal reasons.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 7 : Investments (contd.)

Impairment loss allowance in the value of Investments till date in shares in respect of the above companies is as follows:-

(₹ in '000)

Name of the Company	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investment in joint ventures			
Capital account of IITL Nimbus the Express Park View	25,237.50	-	-
Other Investments			
Reliance Media Works Limited	3,668.33	3,668.33	3,668.33
Reliance Broadcast Network Limited	1,794.34	1,794.34	1,794.34
SQL Star International Limited	22,685.55	22,685.55	22,685.55
Total	**53,385.72**	**28,148.22**	**28,148.22**

Aggregate value of Investments

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Aggregate book value of quoted investments	535.22	-	401.21
Aggregate market value of quoted investments	535.22	-	401.21
Aggregate book value of unquoted investments	3,377,585.14	3,846,812.14	4,304,448.16
Aggregate book value of listed but unquoted investments	-	-	-
Total	**3,378,120.36**	**3,846,812.14**	**4,304,849.37**

Disclosures

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) At Cost			
Equity Instruments			
Associate	6,559.74	1,046.01	860.09
Joint Ventures	2,786,805.67	3,170,843.57	3,592,057.27
	2,793,365.41	**3,171,889.58**	**3,592,917.36**
(ii) At Amortised Cost			
Preference shares, Unquoted			
Associate	609,457.23	529,962.81	583,694.24
Joint Ventures	-	144,959.75	127,836.56
	609,457.23	**674,922.56**	**711,530.80**
(iii) At Fair Value through Other Comprehensive Income	-	-	-
(iv) At Fair Value through Profit or Loss			
Equity Instruments			
Other	535.22	-	401.21
Total (A) - Gross	**3,403,357.86**	**3,846,812.14**	**4,304,849.37**
Impairment loss allowance	25,237.50	-	-
Total (B)	**25,237.50**	**-**	**-**
Total (C) = (A) - (B)	**3,378,120.36**	**3,846,812.14**	**4,304,849.37**
(i) Investments outside India	-	-	-
(ii) Investments in India	3,378,120.36	3,846,812.14	4,304,849.37
Total	**3,378,120.36**	**3,846,812.14**	**4,304,849.37**

Details of investments Joint Venture/ Associate (at cost)

World Resort Limited

WRL was incorporated on April 27, 1995 under the provision of the Companies Act, 1956. The Company had acquired 25% equity shares in the year 2012 . WRL is in the business of Hospitality Sector. It is Associate Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 7 : Investments (contd.)

Golden Palm Facility Management Pvt Ltd

The company was incorporated under the provision of the Companies Act ,2013. The company is mainly engaged in the business of providing the maintenance facility services and other related services at the various projects situated at Delhi and NCR.

Future Generali India Life Insurance Company Limited (FGIL)

FGIL is in the business of Life Insurance Sector and registered with Insurance Regulatory Development Authority of India. The Company had acquired 22.5% equity shares in the year 2014, however as on balance date, the Company hold 17.73% equity shares of FGIL. It is Joint Venture Company.

Capital Infraprojects Private Limited

The Company was incorporated in India and registered under the Companies Act. The company is into the business of developing real estate properties for residential and retail purposes.

IITL-Nimbus The Hyde Park

IITL-Nimbus The Hyde Park' is a partnership firm. The one of the partner is subsidiary of the Company i.e. IITL Projects Limited with 50% share of profit or loss as on balance sheet date. The firm came into existence with the specific objective of making a bid under the scheme of allotment of Group Housing Plots for plotted and flatted development scheme Noida, Uttar Pradesh for a lease period of 90 years.

IITL-Nimbus The Express Park View

IITL-Nimbus The Express Park' is a partnership firm. The one of the partner is subsidiary of the Company i.e. IITL Projects Limited with 50% share of profit or loss as on balance sheet date. The firm came into existence with the specific objective of making a bid under the scheme of allotment of Group Housing Plots for plotted and flatted development scheme Noida, Uttar Pradesh for a lease period of 90 years.

IITL-Nimbus The Palm Village

IITL-Nimbus The Palm Village' is a partnership firm. The one of the partner is subsidiary of the Company i.e. IITL Projects Limited with 50% share of profit or loss as on balance sheet date. The firm came into existence with the specific objective of making a bid under the scheme of allotment of Group Housing Plots for plotted and flatted development scheme Noida, Uttar Pradesh for a lease period of 90 years.

Note 8 : Other financial assets

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Security deposits	15,770.71	15,690.06	15,880.64
Other receivable	-	1,040.35	756.06
Other advances	-	22.97	-
Total	**15,770.71**	**16,753.38**	**16,636.70**

Note 9 : Non- Current Asset Held for Sale

During the financial year 2016-2017, the entity decided to recover carrying amount of it's Commercial Properties through sale rather than its continuous use. Accordingly carrying amount of the following asset was classified as Non-Current assets held for Sale on the transition date.

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Commercial Properties	47,723.22	-	22.03
Total	**47,723.22**	**-**	**22.03**

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Fair Value Rate as per ready reckoner published by the Government authority	103,020.60	122,634.00	122,634.00

The company has entered in memorandum of understanding for sale of three units of office premises situated at Atlanta Premises with the buyers.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 10 : Inventories (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Completed projects	39,200.66	37,816.24	49,944.78
Total	**39,200.66**	**37,816.24**	**49,944.78**

Note 11 : Current tax assets (net) (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Advance payment of income tax (net)	42,151.50	33,577.75	46,347.33
Total	**42,151.50**	**33,577.75**	**46,347.33**

Note 12 : Deferred tax assets (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Deferred tax liability on account of :			
- Depreciation and amortization due to timing difference	144.69	237.07	188.08
- Disallowance under sec 43B of Income Tax Act, 1961	3.49	-	-
Total Deferred tax liability	**148.18**	**237.07**	**188.08**
Deferred tax assets on account of :			
- Depreciation and amortization due to timing difference	416.30	509.38	534.80
- Disallowance under sec 43B of Income Tax Act, 1961	2,734.15	2,693.71	2,710.51
- Contingent provision for against Standard Asset	29.98	61.88	79.24
- Contingent provision for against Sub-Standard Asset	56,666.46	56,666.46	20,975.50
Total Deferred tax assets	**59,846.89**	**59,931.43**	**24,300.04**
MAT Credit entitlement	4,562.00	4,562.00	-
Deferred tax assets (net)	**64,260.71**	**64,256.36**	**24,111.96**

Movement in deferred tax balances (₹ in '000)

Particulars	As at March 31, 2018	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2019
Deferred tax liability on account of :				
- Depreciation and amortization due to timing difference	237.07	(92.38)	-	144.69
- Disallowance under sec 43B of Income Tax Act, 1961	-	3.49	-	3.49
Total Deferred tax liability	**237.07**	**(88.89)**	**-**	**148.18**
Deferred tax assets on account of :				
- Depreciation and amortization due to timing difference	509.38	93.08	-	416.30
- Disallowance under sec 43B of Income Tax Act, 1961	2,693.71	(51.79)	11.35	2,734.15
-Contingent provision for against Standard Asset	61.88	31.90	-	29.98
-Contingent provision for against Sub-Standard Asset	56,666.46	-	-	56,666.46
Total Deferred tax assets	**59,931.43**	**73.19**	**11.35**	**59,846.89**
MAT Credit entitlement	4,562.00	-	-	4,562.00
Deferred tax assets (net)	**64,256.36**	**(15.70)**	**11.35**	**64,260.71**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 13 : Investment in Properties

The Company Investment Properties are initially recognised at cost comprising the purchase price and directly attributable transaction costs. Subsequently it is measured at cost model which is cost less accumulated depreciation and any accumulated impairment losses, other than those that meet the criteria and classified as held for sale.

The Company holds 3 units located at 15th Floor, Atlanta Premises Co-Operative Society Ltd, 209 Nariman Point, Mumbai - 400 021 Mumbai, India.

(₹ in '000)

Particulars	Amount
Gross carrying amount	
As at April 1 2018	506.67
Additions	-
Deductions and adjustments	-
Impairment	-
Less:	
Transferred to Non-Current Assets Held for Sale	(506.67)
As at March 31, 2019	**-**
Accumulated depreciation and impairment	
As at April 1, 2018	436.71
Depreciation charged during the year	2.60
Impairment loss	-
Disposals	-
Less:	
Transferred to Non-Current Assets Held for Sale	(439.31)
As at March 31, 2019	**-**
Net carrying amount as of March 31, 2019	**-**
Net carrying amount as of April 1, 2017	**73.60**
Gross carrying amount	
As at April 1, 2017	506.67
Additions	-
Deductions and adjustments	-
Impairment	-
As at March 31, 2018	**506.67**
Accumulated depreciation and impairment	
As at April 1, 2017	433.07
Depreciation charged during the year	3.64
Impairment loss	-
Disposals	-
As at March 31, 2018	**436.71**
Net carrying amount As at March 31, 2018	**69.96**

The fair value as per ready reckoner published by the Government authority of the above property is as follow: (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Fair Value Rate as per ready reckoner published by the Government authority	103,020.60	122,634	122,634

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 14 : Property, plant and equipment (₹ in '000)

Particulars	Buildings	Furniture and fixtures	Computers	Office Equipment	Vehicles	Total
Gross carrying amount						
As at April 1, 2018	157,119.39	2,029.94	8,400.85	3,140.22	4,293.48	174,983.88
Additions	-	-	55.80	-	-	55.80
Deductions and adjustments	148,019.39	-	-	503.10	-	148,522.49
Impairment	-	-	-	-	-	-
As at March 31, 2019	**9,100.00**	**2,029.94**	**8,456.65**	**2,637.12**	**4,293.48**	**26,517.19**
Accumulated depreciation and impairment						
As at April 1, 2018	29,199.08	1,704.45	7,983.09	2,953.05	3,445.62	45,285.29
Depreciation charged during the year	128.73	86.46	107.23	96.35	266.36	685.13
Impairment loss	-	-	-	-	-	-
Disposals and adjustment	22,778.02	0.01	80.35	599.25	-	23,457.63
As at March 31, 2019	**6,549.79**	**1,790.90**	**8,009.97**	**2,450.15**	**3,711.98**	**22,512.79**
Net carrying amount as at March 31, 2019	**2,550.21**	**239.04**	**446.68**	**186.97**	**581.50**	**4,004.40**
Gross carrying amount						
As at April 1, 2017	157,118.89	2,069.19	8,660.34	3,219.96	4,293.48	175,361.86
Additions	0.50	-	-	-	-	0.50
Deductions and adjustments	-	39.25	259.49	79.74	-	378.48
Impairment	-	-	-	-	-	-
As at March 31, 2018	**157,119.39**	**2,029.94**	**8,400.85**	**3,140.22**	**4,293.48**	**174,983.88**
Accumulated depreciation and impairment						
As at April 1, 2017	24,429.65	1,617.35	8,201.55	2,956.48	3,057.13	40,262.16
Depreciation charged during the year	4,769.43	118.46	49.72	76.81	388.49	5,402.91
Impairment loss	-	-	-	-	-	-
Disposals	-	31.36	268.18	80.24	-	379.78
As at March 31, 2018	**29,199.08**	**1,704.45**	**7,983.09**	**2,953.05**	**3,445.62**	**45,285.29**
Net carrying amount as of March 31, 2018	**127,920.31**	**325.49**	**417.76**	**187.17**	**847.86**	**129,698.59**
Net carrying amount as of April 1, 2017	**132,689.24**	**451.84**	**458.79**	**263.48**	**1,236.35**	**135,099.70**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 15 : Other Intangible assets (₹ in '000)

Particulars	Computer Software	Total
Gross carrying amount		
As at April 1, 2018	2,346.38	2,346.38
Additions	-	-
Deductions and adjustments	-	-
Impairment		
As at March 31, 2019	**2,346.38**	**2,346.38**
Accumulated depreciation and impairment		
As at April 1, 2018	2,240.01	2,240.01
Depreciation charged during the year	6.61	6.61
Impairment loss		-
Disposals and adjustment	-	-
As at March 31, 2019	**2,246.62**	**2,246.62**
Net carrying amount as at March 31, 2019	**99.77**	**99.77**
As at April 1, 2017	4,426.02	4,426.02
Additions	-	-
Deductions and adjustments	2,079.64	2,079.64
Impairment		
As at March 31, 2018	**2,346.38**	**2,346.38**
Accumulated depreciation and impairment		
As at 1st April, 2017	4,194.46	4,194.46
Depreciation charged during the year	21.20	21.20
Impairment loss		-
Disposals	1,975.65	1,975.65
As at March 31, 2018	**2,240.01**	**2,240.01**
Net carrying amount as of March 31, 2018	**106.37**	**106.37**
Net carrying amount as of April 1, 2017	**231.56**	**231.56**

Note 16 : Other non-financial assets (₹ in '000)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Prepaid/Advance for expenses		912.25	966.32	1,517.97
Gratuity fund balance		58.38	130.84	123.36
Deposit placed against disputed property tax		21,049.86	16,363.51	11,216.89
Balance with government authorities		2,572.58	1,308.71	908.03
Recoverable from GNIDA		-	4,493.89	4,493.89
Others		418.66	475.72	470.37
	Total	**25,011.73**	**23,738.99**	**18,730.51**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 17 : Payables (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) Trade payables			
total outstanding dues of micro enterprises and small enterprises	7.08	-	-
total outstanding dues of other than micro enterprises and small enterprises	7,145.50	8,270.26	23,041.74
	7,152.58	**8,270.26**	**23,041.74**
(i) Other payables			
total outstanding dues of micro enterprises and small enterprises	-	-	-
total outstanding dues of other than micro enterprises and small enterprises	-	-	-
Total	**7,152.58**	**8,270.26**	**23,041.74**

Disclosures requirement under section 22 of the Micro, Small & Medium Enterprises Development Act, 2006 (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
i) Principal amount and interest due thereon remaining unpaid to each supplier at the end of each accounting year	7.08	-	-
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year	-	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-	-

Note 18 : Borrowings (other than debt securities) (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(A) At amortised cost			
Term loan			
From Bank (secured)			
Vehicle Loan (refer footnote 1)	-	-	297.93
Property mortgage loan (refer footnote 2)	-	9,183.00	19,179.00
(B) At fair value through profit or loss	-	-	-
(C) Designated at fair value through profit or loss	-	-	-
Total	**-**	**9,183.00**	**19,476.93**
Borrowings in India	-	9,183.00	19,476.93
Borrowings outside India	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 18 : Borrowings (other than debt securities) (Contd.)

Note 1 : Details of terms of repayment and security provided: Kotak Mahindra Prime Limited

Terms of Repayment:

Repayable in 35 Equated Monthly Installments (EMI) each of ₹ 76,133; Number of Installments outstanding as at March 31, 2019; Nil (As at March 31, 2018: Nil ; As at April 1, 2017: 4). There was no default on repayment of Loan.

Security Provided:

Secured by hypothecation of the vehicle purchased from the loan.

Measurement

Borrowings are measured at amortised cost.

Note 2 : Details of terms of repayment and security provided: Axis Bank Limited

Terms of Repayment:

Repayable in 35 Equated Monthly Installments (EMI) each of ₹ 833,000; Number of Installments outstanding as at March 31, 2019; Nil (As at March 31, 2018: 11 ; As at April 1, 2017: 23). There was no default on repayment of Loan.

Security Provided:

Secured by mortgage of property.

Measurement

Borrowings are measured at amortised cost.

Note 19 : Other financial liabilities (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Unclaimed dividends*	2,359.07	2,939.24	3,557.56
Interest accrued and but not due on borrowing	-	84.67	180.43
Interest free security	1,038.97	1,035.62	1,031.49
Debit balance of current account of partnership firms	195,842.94	101,205.16	93,719.47
Payable to residential welfare association	56.87	109.00	8,786.56
Total	**199,297.85**	**105,373.69**	**107,275.51**

* Investor Education and Protection Fund is being credited as and when due.

Note 20: Current tax liabilities (net) (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Income tax (net)	3,146.31	25.50	25.50
Total	**3,146.31**	**25.50**	**25.50**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 21 : Provisions (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provision for employee benefits:			
- Gratuity	1,333.85	1,252.80	1,175.73
- Compensated absences	2,677.51	2,755.31	2,994.59
Provision - Others:			
- Provision for contingency	5,000.00	5,000.00	5,000.00
- Provision against standard assets	115.29	135.24	307.73
Total	**9,126.65**	**9,143.35**	**9,478.05**

Movement in provisions against standard assets			
Balance at the beginning of the period	135.24	307.73	307.73
Movement in provisions against standard assets during the year	(19.95)	(172.49)	-
Provision at the end of the year	115.29	135.24	307.73

Note 22 : Deferred tax liabilities (net) (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Deferred tax liability on account of :			
- Disallowance under sec 43B of Income Tax Act, 1961	11.69	25.12	30.09
Total	**11.69**	**25.12**	**30.09**

(₹ in '000)

Movement in deferred tax balances

	As at March 31, 2018	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2019
Deferred tax liability on account of :				
- Disallowance under sec 43B of Income Tax Act, 1961	25.12	(48.71)	35.28	11.69
Total Deferred tax liability	**25.12**	**(48.71)**	**35.28**	**11.69**

Note 23 : Other non-financial liabilities (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Sundry liabilities account (Interest capitalisation)	15,764.09	15,764.09	-
Income received in advance	36,106.59	36,106.59	-
Advance received against sale of a units of investment property	17,143.17	-	2,000.00
Advance received from/refundable to customer	1,224.72	200.00	6,063.38
Advance received from others	19.46	152.26	74.09
Payable to facility manager	-	-	3,380.54
Other payables:			
- Statutory remittances (Contributions to PF, Service Tax, GST etc.)	880.71	529.70	1,214.56
- Salary payable	-	15.28	-
- Others	6,359.43	2,078.45	578.45
Total	**77,498.17**	**54,846.37**	**13,311.02**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 24 : Equity Share Capital (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) Authorized Share Capital			
30,000,000 Equity shares of ₹ 10/- each	300,000.00	300,000.00	300,000.00
(ii) Issued, Subscribed & Fully Paid Up Share Capital			
22,547,550 Equity shares of ₹ 10/- each*	225,475.50	225,475.50	225,475.50

* Included 9,777,550 equity shares represented by 4,888,775 Global Depository Shares (GDR).

Disclosures:

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount (₹ in '000)	No. of Shares	Amount (₹ in '000)
Opening Balance	22,547,550	225,475.50	22,547,550	225,475.50
Fresh Issue	-	-	-	-
Buy Back	-	-	-	-
Closing Balance	**22,547,550**	**225,475.50**	**22,547,550**	**225,475.50**

The Company had issued 4,888,775 Global Depository Shares ('GDSs') representing ₹ 9,777,550 equity shares of the Company of nominal value ₹ 10 each, aggregating to US$ 59.89 millions equivalent to ₹ 3,377,606,725 (including shares premium of ₹ 3,279,831,225). The GDSs are listed on Luxembourg Stock Exchange.

b) Rights, preferences and restrictions attached to equity shares

Equity shares of the Company are issued at a par value of ₹ 10 per share.

(i) Equity Shares represented by GDS - Holders of the GDSs will have no voting rights with respect to the underlying equity shares. The Depository will not exercise any voting rights with respect to the deposited shares. Other rights, preferences and restrictions are same as other equity shares.

(ii) Other Equity Shares - Each holder of other equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

c) Equity Shares held by each shareholder holding more than 5% equity shares in the Company are as follows:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of holding	No. of Shares held	% of holding
N. N. Financial Services Private Limited	7,087,960	31.44	7,087,960	31.44
Nimbus India Limited	2,294,107	10.17	2,294,107	10.17
Life Insurance Corporation of India	1,191,998	5.29	1,191,998	5.29
The Bank of New York Mellon (Depository for GDS holders)*	9,777,550	43.36	9,777,550	43.36

* The Company does not have details of individual holders.

d) The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

Disclosures required as per Division III of Schedule III

Objectives, policies and processes for managing capital.

"For the purpose of the Company's capital management, capital includes paid-up equity securities capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 25 : Other equity (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) Reserve & Surplus			
Capital Reserve	0.75	0.75	0.75
Securities Premium	4,466,487.47	4,466,487.47	4,466,487.47
General Reserve	192,267.51	192,267.51	192,267.51
Special Reserve (as per the RBI regulations)	322,407.00	322,407.00	322,407.00
Retained earnings			
Opening balance	(1,041,839.05)	(171,130.21)	31,129.00
Add: profit /(loss) for the year	(462,398.60)	(844,235.35)	(74,544.89)
Ind AS Adjustments:			
- Expected credit loss	-	-	(7,182.76)
- Profit/(Loss) due to fair value of investment in shares	-	-	248,737.65
- Loss due to remeasurement of investment	-	-	(369,142.18)
- Deferred tax	-	-	(30.09)
- Gratuity	-	-	204.47
- Amortisation of borrowing cost	-	-	99.37
Items of other comprehensive income recognized directly in retained earnings:			
- Remeasurements of post-employment benefit obligation, net of tax	132.70	1,118.84	(400.78)
	(1,504,104.95)	(1,014,246.72)	(171,130.21)
Total	**3,477,057.78**	**3,966,916.01**	**4,810,032.52**

Reconciliation of opening balance of retained earning as at April 1, 2018

Particulars	Amount ₹ '000
Closing balance as at March 31, 2018	(1,014,246.72)
Less: Ind AS 115 adjustment	(51,166.32)
Add: Deferred tax on above	23,573.99
Opening balance as at April 1, 2018	**(1,041,839.05)**

<u>Nature and purpose of each reserve</u>

Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 25 : Other equity (contd.)

Special Reserve (as per the RBI regulations)

This Reserve is created as per Sec 45IC of Reserve bank of India Act 1934. This Reserve is utilised only as per manner mentioned in RBI Act 1934.

Retained earnings

Retained earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves, Special Reserve etc. opening Impact of Ind AS is adjusted in Retained Earnings.

Note 26 : Non-Controlling Interest (₹ in ‘000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Opening balance	-	5,353.21	5,353.20
Profit/(loss) for the year	-	(5,370.26)	-
Other Comprehensive Income for the year	-	17.05	-
Total	-	**-**	**5,353.20**

Note : Non-Controlling Interest is restricted to their share wherever liabilities exceeds shares.

Note 27 : Interest income (₹ in ‘000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) On financial assets measured at fair value through OCI	-	-
(b) On financial assets measured at amortised cost		
Interest on loans	28,200.25	29,354.02
Interest on deposits with banks	3,595.69	1,582.41
Other interest income		
Interest on deposits placed	2,967.85	2,371.89
Interest income from preference share amortisation	100,947.22	87,130.98
Interest on security deposits	-	25.52
Other interests	-	1,691.25
(c) On financial assets classified at fair value through profit or loss	-	-
Total	**135,711.01**	**122,156.07**

Note 28 : Dividend income (₹ in ‘000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
- On shares	7.99	7.98
Total	**7.99**	**7.98**

Note 29 : Fees and commission income (₹ in ‘000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) On Insurance services	3,220.73	3,809.81
(b) On Stock broking services	-	5.03
Total	**3,220.73**	**3,814.84**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 30 : Sale of products (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
(a) Residential flat		2,827.61	16,038.95
	Total	**2,827.61**	**16,038.95**

Note 31 : Sale of services (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
(a) Consultancy		3,000.00	3,000.00
	Total	**3,000.00**	**3,000.00**

Note 32 : Other operating income (₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from stock market operations (net)	(60.52)	59.24
Profit on sale of investment properties (net)	-	30,428.57
Reversal of expected credit loss	-	2,447.88
Reversal of Provision for sub-standard loan	84,300.00	-
Reversal of contingent provision against standard assets	19.95	172.48
Other operating income	0.09	0.20
Total	**84,259.52**	**33,108.37**

Note 33 : Other income (₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Excess provision written back	-	5.67
Liabilities written back	664.58	10,795.01
Profit on sale of property, plant and equipment	2,141.00	47.30
Miscellaneous income	1,709.54	143.57
Interest income from Income tax refund	24.99	1,896.50
Total	**4,540.11**	**12,888.05**

Note 34 : Finance costs (₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest on borrowings	611.41	2,201.93
Other interest expenses		
Interest on late payment	27.18	21.04
Bank charges	45.17	54.20
Total	**683.76**	**2,277.17**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 35 : Net loss on fair value changes (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
On financial assets		161,009.20	-
	Total	**161,009.20**	**-**

Note 36 : Impairment on financial instruments (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
<u>On financial instruments measured at fair value through OCI</u>			
Loans		-	-
Investments		-	-
Others		-	-
<u>On financial instruments measured at amortised cost</u>			
Loans		-	404,804.10
Investments		30,640.85	-
Others - Interest accrued and due on loan		272.72	-
	Total	**30,913.57**	**404,804.10**

Note 37 : Changes in Inventories of finished goods, stock-in-trade and work-in-progress (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Completed projects			
Opening stock of units		37,816.24	49,944.78
Add: Cancellation of units during the year		3,307.84	-
Closing stock of units		(39,200.66)	(37,816.24)
	Total	**1,923.42**	**12,128.54**

Note 38 : Employee benefits expenses (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Salaries and bonus		19,498.19	22,457.11
Contribution to provident and other funds		1,541.29	1,700.72
Staff welfare expenses		406.28	592.38
	Total	**21,445.76**	**24,750.21**

Note 39 : Depreciation, amortisation and impairment (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Depreciation & amortisation			
on property, plant and equipment		685.13	5,402.91
on intangible assets		6.61	21.20
on investment properties		2.60	3.64
	Total	**694.34**	**5,427.75**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 40 : Other expenses (₹ in '000)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Rent, taxes and energy costs		4,149.13	5,368.12
Repair and maintenance		3,971.54	4,472.57
Communication costs		515.60	793.67
Printing & Stationery		749.97	618.37
Advertisement and publicity		132.00	446.60
Director's fee, allowances and expenses		4,046.20	4,122.78
Auditor's fees and expenses		4,190.95	3,241.03
Legal and professional charges		5,725.30	5,784.20
Insurance		540.06	662.58
Other expenditure			
Travelling and conveyance		1,860.27	1,995.26
Business promotion		564.79	154.15
Membership fees		2,096.88	1,876.89
Operating expenses (DP charges, Lease line and etc.)		430.34	530.66
Expenditure on Corporate Social Responsibility		200.00	760.00
Loss on remeasurement of financial assets		-	63,767.66
Impairment of property, plant and equipment		33.91	135.72
Miscellaneous expenditure		2,517.46	870.39
	Total	**31,724.40**	**95,600.65**
Details of Auditor's fees and expenses			
- Auditor		1,770.59	1,500.00
- for taxation matter		-	-
- for company law matters		-	-
- for other services		1,775.00	1,596.25
- for reimbursement of expenses		376.61	89.92
- GST		268.75	54.86
	Total	**4,190.95**	**3,241.03**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 41 : Tax expenses (₹ in '000)

Particular	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
- Current tax	352.10	4,562.00
- Earlier year	2,520.04	6,404.74
- MAT credit	-	(4,562.00)
	2,872.14	**6,404.74**
Deferred tax		
- through Profit and Loss Statement	(64.40)	(35,605.53)
- through Other Comprehensive Income	46.63	18.16
	(17.77)	**(35,587.37)**
Total	**2,854.37**	**(29,182.63)**

i) The reconciliation of estimated income tax to income tax expense is as follow:		
Profit before Income Tax	(459,590.86)	(878,806.40)
Enacted tax rates in India (%)	26%	25.75%
Computed expected tax expenses	(119,493.62)	(226,292.65)
Adjustments:		
Adjustment for exempted income	(18,450.17)	(32,491.01)
Adjustment for disallowed under Income Tax Act	148,697.42	269,146.19
Adjustment for allowable under Income Tax Act	(22,539.96)	(12,646.60)
Others	1,524.91	1,504.07
taxation loss for the year	10,261.42	780.00
	119,493.62	226,292.65
Income Tax expenses - net	**-**	**-**
ii) Tax liability as per Minimum Alternate Tax on book profits		
Minimum Alternate Tax rate	19.24%	19.06%
Computed tax liability on book profits	(88,425.28)	(167,456.56)
Tax effect on adjustments	88,777.38	172,018.56
Minimum Alternate Tax on book profit	**352.10**	**4,562.00**
iii) Tax losses		
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	236,401.48	197,449.75
Potential tax benefit @26% (P.Y. 25.75%)	61,464.38	50,843.31

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 42 : Contingent liabilities and commitments (₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(I) Contingent liabilities			
(a) Claims against the Company not acknowledge as debt			
- Disputed income-tax matters (refer footnote 1)	16,201.31	16,201.31	23,240.08
- Disputed wealth-tax matter in appeal	3,250.25	3,250.25	3,250.25
- Claims filed with District Consumer Dispute Redressal forum (refer footnote 2)	594.51	594.51	594.51
- Disputed property tax levied by Mumbai Municipal Corporation (MMC) based on enhanced ratable value for the period 1st April 2007 to 31st March 2010 in respect of the Company's Investment Property in Atlanta Building, Nariman Point net of provision (refer footnote 3)	19,869.86	19,869.86	19,869.86

Notes:

(1) Income tax matter :

The income tax assessment upto financial year 2015-16 has been completed. For FY 2016-17 the income-tax assessment is in process, for which in the opinion of the management there is no tax liabilities to be created in the books of accounts. Rectification of assessment order for the FY 2014-15 is pending.

The Group had received demand pertaining to AY 2012-13 amounting to ₹ 1,62,01,310/- against which the group has filed an appeal.

(2) Claims made by Insurance policy holders against the Insurance company. The Company was made a party as the policies were procured through the Company. The Company has no financial liability.

(3) Details of contingent liabilities as under :

The amount of ₹ 19,869,855 disclosed as Contingent Liability is towards the disputed property tax levied by BMC based on enhanced ratable value for the period April 1, 2007 to March 31, 2010 in respect of the Company's investment property in Atlanta Building, Nariman Point, Mumbai.

During the financial year 2015-16 and 2017-18, the Company sold five units of the said property. Upon sale of said units the Company was required to deposit ₹ 14,707,216 with Atlanta Premises Co-operative Society Limited (the society) towards part of the disputed property tax related to units sold. The said amount has been placed by the society in Fixed Deposits with Bank.

The disputed property tax issue is still subjudice and the order is awaited from the Mumbai High court. Pending the outcome of the matter, out of abundant caution, the Company has made a provision of ₹ 5,000,000 in respect of the units sold.

However, the total amount of ₹ 24,869,855 is fully recoverable from the ex-Licensee as per the Leave and License Agreements entered by the Company with them from time to time.

(b) Guarantees			
Guarantees given to banks on behalf of associate company	253,400.00	253,400.00	253,400.00
The Company has received counter-guarantees from other parties against the aforesaid guarantees given by the Company to the banks.	190,050.00	190,050.00	190,050.00
The outstanding amount of loan availed by the associate company	2,258.61	7,500.23	43,128.30

(ii) Commitments

(a) Non-cancellable contractual commitments - refer note 45

(b) The company has entered in memorandum of understanding for sale of three units of office premises situated at Atlanta Premises with the buyer. Accordingly contingent liability toward the disputed property tax of three units are ₹13,350,775 is require to deposit with the society. Out of which, the company has deposited ₹3,601,803 with the society.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 43 : Earnings per share

Particular	Year ended March 31, 2019	Year ended March 31, 2018
(a) Basic earnings per share		
Profit attributable to the equity holders of the Company (₹ in 000)	(440,768.71)	(258,203.38)
Total basic earnings per share attributable to the equity holders of the Company (₹)	(19.55)	(11.45)
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator (nos.)	22,547,550	22,547,550

Note 44 :

MRG Hotels Private Limited has been amalgamated with World Resort Limited as per confirmation of order of scheme of amalgamation under section 233 of the Companies Act, 2013 read with Rule 25 of Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 vide order issued by Regional Director (South East Region) Ministry of Corporate Affair dated February 7, 2019.

Accordingly outstanding loan to MRG Hotels Private Limited of ₹ 1.85 crores has been transferred to World Resort Limited on said date.

Note 45 : Disclosure in accordance with Ind AS – 17 “Leases”, of the Companies (Indian Accounting Standards) Rules, 2015.

The Group has taken an office premise and residential premises on operating lease. There are no restrictions imposed by the lease arrangement. There are no sub-leases. The lease rental expense recognised in the Statement of Profit and Loss. The company has entered into lease agreement for various period upto 5 years.

The lease payments are recognized in the Statement of Profit and Loss under Rent.

The Following Operating Lease payments are committed to be paid as under: (₹ in ‘000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Within one year	2,282.70	760.90	2,282.70
Between one and five years	3,043.60	-	760.90
Later than five years	-	-	-
Total	**5,326.30**	**760.90**	**3,043.60**

The following Operating Lease rental expense recognised in the Statement of Profit and Loss (₹ in ‘000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Total Lease rental expenses (net of recovery)	2,693.47	3,176.51

Note 46

The Company had entered into Share Purchase Agreement with Pantaloon Retail India Limited (now known as Future Retail Limited) to acquire 22.5% of its equity stake in Future Generali India Life Insurance Company Ltd (FGILICL). Pursuant to approval received from CCI, RBI & IRDA the transaction was consummated on 17th December 2013 for a total consideration of ₹ 340 crores. FGILICL became a joint venture of the Company.

During the period from April 1, 2016 to March 31, 2019, the FGILICL came out with Rights Issues eight times with total 390,820,608 equity shares. The Company did not subscribe in any of the Rights Issues. With the increase in paid up capital on account of the Rights Issues, the Company’s equity stake in FGILICL has reduced to 21.67% as at April 1, 2017, 18.80% as at March 31, 2018 and 17.73% as at March 31, 2019.

The management views the investment in positive light as insurance industry plays a crucial role in the growth and development of the overall economy. There is a huge potential to be tapped across India for life insurance. Life Insurance Industry has a long gestation period and the Company views this as a long term investment. Having regard to the projections and future business plan provided by FGILICL to the Company and based on management’s assessment of the same, the management of the Company is of the view that, although the net-worth of FGILICL as at March 31, 2018 has substantially eroded, there is no diminution other than temporary in the value of investment of the Company in FGILICL as at March 31, 2019.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 47 : One time settlement against loan

In its meeting held on March 8, 2017, the Board of directors approved the proposal of One-Time Settlement ("OTS") with IITL Projects Limited (IPL), the subsidiary company, in relation to unsecured outstanding loan given along with the outstanding interest thereon, as under:-

(i) Loan of ₹ 364,800,000/- along with outstanding interest as on March 31, 2016 amounting to ₹ 36,106,588/- (Net of TDS) aggregating ₹ 400,906,588/- would be adjusted against the transfer of assets of IPL namely 5,000,000 Zero % Non-Convertible Redeemable Preference Shares of World Resorts Limited and 10,849,120 Zero% Non-Convertible Redeemable Preference Shares of Capital Infraprojects Private Limited based on its value determined by independent valuer amounting to ₹ 283,314,407/- Crores and ₹ 117,592,181/- respectively (in favour of the Company).

(ii) The Company to waive off interest accrued for the period April, 2016 to March, 2017 amounting to ₹ 54,720,000/-.

(iii) IPL to agree to recompense the Company in one or more installments, as may be mutually agreed between the parties at the relevant time the interest amount of ₹ 54,720,000/- which has been waived off as part of One Time Settlement in case IPL turns profitable in future and has adequate cash flows.

The above proposal was approved by the members of IPL and those of the Company on April 18, 2017 and April 21, 2017 respectively. Subsequently the company entered into OTS agreement on May 18, 2017 with IPL to transfer the said shares in name of the Company

Note 48 : Restructure of loan

Pursuant to the approval received from the shareholders and resolution passed at the 84th Annual General Meeting of the Company, the unsecured loan of ₹ 23,19,87,365/- granted to IITL Nimbus the Express Park View (EPV-II) has been restructured according to the following terms and condition.

a) Moratorium of four years for a period beginning October 01, 2017 and ending on September 30, 2021 on repayment of outstanding loan of ₹ 23,19,87,365/-

b) Interest outstanding upto March 31, 2016 amounting to ₹ 1,57,64,094/- to be converted into Funded Interest Term Loan (FITL) and a Moratorium to be granted for its repayment and the interest thereon for a period of 4 years ending on September 30, 2021. The rate of interest to be charged on FITL will be 12%.

c) Interest outstanding from April 01, 2016 upto September 30, 2017 amounting to ₹ 5,22,44,826/- to be waived off and interest rate change from @15% to @12% with Recompense Clause.

d) Promoters' contribution amounting to ₹ 3,06,60,032/- has been brought jointly by the Promoters in EPV II i.e. to the extent of 20% of the total sacrifice amount on account of Diminution in Fair Value of Loan and waiver of interest; and has given Corporate Guarantee, to the extent of outstanding loan including FITL amounting to ₹ 24,77,51,459/- and accumulated interest thereon to be calculated (On Loan & FITL) upto the end of moratorium period or repayment whichever is earlier from the Promoters' of EPV II in compliance with the relevant provisions of the Prudential Norms of the Reserve Bank of India pertaining to Restructuring of Loans, as amended from time to time.

Note 49 : Related party disclosures

(i) Names of related parties:

(a) Names of related parties and nature of relationship:

Joint venture:	Future Generali India Life Insurance Company Limited IITL Nimbus The Express Park View - a partnership firm IITL Nimbus The Palm Village - a partnership firm IITL Nimbus The Hyde Park Noida -a partnership firm Capital Infraprojects Private Limited
Associate company:	World Resorts Limited
Entities over which the Company can exercise significant influence:	MRG Hotels Private Limited (refer note 44) Nimbus India Limited
Key management personnel :	Dr. B. Samal, Executive Chairman Cumi Banerjee, CEO & Company Secretary Hemang Ladani, CFO (w.e.f. April 20, 2018) Kaushik Desai, CFO (up to August 8, 2017) Mr. D.P. Goyal, Managing Director

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 49 : Related party disclosures (contd.)

(ii) Details of transactions with related parties:

(a) Key management personnel: (₹ in '000)

Name of Key management personnel	Nature	Year ended March 31, 2019	Year ended March 31, 2018
Dr. B. Samal*	Remuneration	55,320.00	55,320.00
Cumi Banerjee	Remuneration	3,351.00	3,300.00
Hemang Ladani	Remuneration	1,084.30	-
Kaushik Desai	Remuneration	-	786.44
Mr. D. P. Goyal	Remuneration	3,000.00	2,998.15

* Excludes provision for gratuity and compensated absences, which is determined on the basis of actuarial valuation done on overall basis for the Company

(b) Other related parties: (₹ in '000)

Particulars	As at March 31, 2019			As at March 31, 2018		
	Joint Ventures	Associate company	Entities under Significant influence	Joint Ventures	Associate company	Entities under Significant influence
Refund of loans given						
World Resorts Limited	-	25,000.00				
MRG Hotels Private Limited			5,000.00	-	-	11,500.00
Interest income						
World Resorts Limited		3,974.05			4,352.60	
MRG Hotels Private Limited			2,557.81			3,918.05
Capital Infraprojects Private Limited	1,415.81			1,122.27		
IITL Nimbus The Hyde Park Noida	19,583.57			19,853.53		
IITL Nimbus The Palm Village	662.50			107.57		
Brokerage income						
Future Generali India Life Insurance Co. Ltd.	2,744.41			2,122.42		
Interest income on preference share amortisation						
World Resorts Limited		79,494.42			65,005.38	
Capital Infraprojects Private Limited	21,452.80			22,125.59		
Expected credit loss on loans given						
IITL Nimbus The Palm Village	272.72			-		
Reversal of expected credit loss on loans given						
IITL Nimbus The Palm Village	-			2,447.88		
Rent paid						
Nimbus India Limited			300.00			414.91
Capital contribution						
IITL Nimbus The Express Park View	5,000.00			-		
(iii) Details of amount outstanding						
Loans given						
World Resorts Limited (refer note 44)		18,500.00			26,000.00	
MRG Hotels Private Limited			-			23,500.00
Capital Infraprojects Private Limited	10,000.00			10,000.00		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 49 : Related party disclosures (contd.)

(b) Other related parties: (contd.) (₹ in '000)

Particulars	As at March 31, 2019			As at March 31, 2018		
	Joint Ventures	Associate company	Entities under Significant influence	Joint Ventures	Associate company	Entities under Significant influence
IITL Nimbus The Express Park View	247,751.46			247,751.46		
IITL Nimbus The Hyde Park Noida	162,794.96			162,794.96		
IITL Nimbus The Palm Village	35,000.00			35,000.00		
Interest accrued and due on loans						
Capital Infraprojects Private Limited	316.23			304.03		
IITL Nimbus The Palm Village	596.25			-		
Interest accrued but not due on loans						
IITL Nimbus The Palm Village	53.91			53.91		
Provision for expected credit loss						
On accrued interest						
- IITL Nimbus The Palm Village	272.72			-		
On loan						
- IITL Nimbus The Palm Village	2,287.00			2,287.00		
Investment in preference share						
World Resorts Limited		609,457.23			529,962.81	
Capital account of partnership firm						
IITL Nimbus The Hyde Park Noida	45,000.00			45,000.00		
IITL Nimbus The Palm Village	220,000.00			220,000.00		
Credit/(debit) current account of partnership firm						
IITL Nimbus The Hyde Park Noida	562.23			-		
IITL Nimbus The Express Park View	(78,362.39)			(50,740.18)		
IITL Nimbus The Palm Village	(117,480.56)			(50,464.99)		

Note 50 : Employee Benefit

A) Defined Contribution Plan (₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Recognised Provident Fund contributions which are defined contribution plans, for qualifying employees in the statement of profit and loss	970,825	1,014,050

B) Defined Benefit Plan

The Group offers its employees defined-benefit plan in the form of a Gratuity Scheme. Benefits under the defined benefits plan are typically based on years of service and the employees compensation covering all regular employees. Commitments are actuarially determined at year-end. The benefits vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The Group makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 50 : Employee Benefit (contd.)

Market Risk (discount Risk)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Longevity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age , the longevity risk is not very material.

Actuarial risk

"Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the obligation at a rate that is higher than expected.

i) The following tables set out the funded status of the gratuity plans and the amounts recognized in the financial statements (Gratuity)

(₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
a) Change in benefit obligations			
Opening Defined Benefit Obligation	5,227,804	4,771,342	4,789,343
Transfer in/(out) obligation	-	-	-
Current service cost	618,015	683,578	678,340
Interest cost	250,952	313,970	339,902
Net Actuarial loss/(gain)	(85,202)	(313,590)	(472,540)
Past service cost	-	26,655	-
Benefits paid	(533,932)	(254,151)	(563,703)
Closing defined benefit obligation	**5,477,637**	**5,227,804**	**4,771,342**
b) Change in plan assets			
Opening value of plan assets	4,105,845	3,718,974	3,694,972
Transfer in/(out) plan assets	-	-	-
Interest Income	211,645	279,306	256,252
Net Actuarial loss/(gain)	94,131	(1,914)	27,619
Contributions by employer	324,484	363,630	303,834
Benefit Paid	(533,932)	(254,151)	(563,703)
Closing Value of plan assets	**4,202,173**	**4,105,845**	**3,718,974**
c) Funded Status of the Plan			
Present value of unfunded obligations	-	-	-
Present value of funded obligations	5,477,637	5,227,804	4,771,342
Fair value of plan assets	4,202,173	4,105,845	3,718,974
Net Assets/(Liability)	**(1,275,464)**	**(1,121,959)**	**(1,052,368)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 50 : Employee Benefit (contd.)

ii) Amount recognized in the Statement of Profit and Loss under employee benefit expenses (Gratuity) (₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current service cost	618,015	683,578
Past service cost and loss/(gain) on curtailments and settlement	-	689,045
Net Interest cost	39,307	34,664
Total included in Employee Benefit Expenses	**657,322**	**1,407,287**

iii) Amount recognized in the Statement of Other Comprehensive Income (Gratuity) (₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	69,605	55,702
Due to changes in demographic assumption	-	47,853
Due to experience adjustment	(154,807)	(1,079,535)
Return on plan assets excluding amounts included in interest income	(94,131)	1,914
Total included in Employee Benefit Expenses	**(179,333)**	**(974,066)**

iv) Reconciliation of net defined benefit assets (Gratuity): (₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Net opening assets in books of accounts	(1,121,959)	(1,052,368)	(1,094,371)
Transfer in/(out) obligation	-	-	-
Transfer (in)/out plan assets	-	-	-
Employee Benefit Expense	(657,322)	(1,407,287)	(261,831)
Amounts recognized in Other Comprehensive Income	179,333	974,066	-
	(1,599,948)	(1,485,589)	(1,356,202)
Contributions to plan assets	324,484	363,630	303,834
Closing provision in books of accounts	**(1,275,464)**	**(1,121,959)**	**(1,052,368)**

v) : Break-up of defined benefit obligation (Gratuity): (₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Vested	5,342,436	5,024,640	4,596,059
Non vested	135,201	203,164	175,283
Total	**5,477,637**	**5,227,804**	**4,771,342**

vi) Principle actuarial assumptions used to determine benefit obligations are set out below:

a) Gratuity

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Discount Rate	6.65%	7.30%	7.30%
Salary Growth Rate	7.00%	7.00%	7.00%
Withdrawal Rates			
At younger ages	10.00%	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%	2.00%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 50 : Employee Benefit (contd.)

b) Privilege Leave Benefit

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Discount Rate	6.65%	7.30%	7.50%
Salary Growth Rate	7.00%	7.00%	6.00%
Withdrawal Rates			
At younger ages	10.00%	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%	2.00%

c) Sick Leave Benefit

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Discount Rate	6.65%	7.30%	7.50%
Salary Growth Rate	7.00%	7.00%	6.00%
Withdrawal Rates			
At younger ages	10.00%	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%	2.00%

vii) Expected cash flows based on past service liability

a) Gratuity

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Cash flows (₹)	Distribution (%)	Cash flows (₹)	Distribution (%)	Cash flows (₹)	Distribution (%)
Year 1	4,376,367	79.82%	3,860,500	76.92%	2,919,542	80.30%
Year 2	268,563	4.90%	73,572	1.47%	54,812	1.51%
Year 3	60,020	1.09%	256,101	5.10%	54,848	1.51%
Year 4	60,218	1.10%	65,864	1.31%	212,220	5.84%
Year 5	139,728	2.55%	66,073	1.32%	52,250	1.44%
Year 6 to Year 10	577,764	10.54%	696,846	13.88%	342,330	9.42%

The Future accrual is not considered in arriving at the above cash-flows.

b) Privilege Leave Benefit

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Cash flows (₹)	Distribution (%)	Cash flows (₹)	Distribution (%)	Cash flows (₹)	Distribution (%)
Year 1	2,020,536	36.85%	1,975,661	39.36%	1,863,355	51.25%
Year 2	68,065	1.24%	49,143	0.98%	82,279	2.26%
Year 3	35,876	0.65%	76,447	1.52%	78,937	2.17%
Year 4	35,293	0.64%	41,866	0.83%	107,867	2.97%
Year 5	69,108	1.26%	41,149	0.82%	68,787	1.89%
Year 6 to Year 10	235,549	4.30%	310,746	6.19%	342,169	9.41%

The Future accrual is not considered in arriving at the above cash-flows.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 50 : Employee Benefit (contd.)

viii) Composition of the plan assets (Gratuity):

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Government of India Securities	0%	0%	0%
State Government Securities	0%	0%	0%
High quality corporate bonds	0%	0%	0%
Equity shares of listed companies	0%	0%	0%
Property	0%	0%	0%
Special Deposit Scheme	0%	0%	0%
Policy of insurance	94%	94%	93%
Bank Balance	6%	6%	7%
Other Investments	0%	0%	0%
Total	**100%**	**100%**	**100%**

Note: The Company is unable to obtain the details of major category of plan assets from the insurance company (Life Insurance Corporation of India) and hence the disclosure thereof is not made.

ix) Sensitivity to key assumptions

a) Gratuity

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)
Discount rate varied by 0.5%						
Increase by 0.5%	3,634,953	-0.96%	3,352,093	-1.00%	2,955,576	-1.32%
Decrease by 0.5%	3,707,947	1.03%	3,422,751	1.08%	3,038,462	1.45%
Salary growth rate varied by 0.5%						
Increase by 0.5%	3,705,994	0.98%	3,420,839	1.03%	3,026,524	1.05%
Decrease by 0.5%	3,635,756	-0.94%	3,353,427	-0.96%	2,962,975	-1.07%
Withdrawal rate (WR) varied by 10%						
WR* 110%	3,668,911	-0.03%	3,387,627	0.05%	2,997,907	0.90%
WR* 90%	3,671,387	0.03%	3,384,359	-0.05%	2,992,612	-0.08%

b) Privilege Leave Benefit

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)
Discount rate varied by 0.5%						
Increase by 0.5%	1,593,881	-0.75%	1,645,244	-0.87%	1,650,088	-0.71%
Decrease by 0.5%	1,618,885	0.80%	1,675,043	0.93%	1,674,691	0.77%
Salary growth rate varied by 0.5%						
Increase by 0.5%	1,618,781	0.80%	1,675,013	0.93%	1,674,813	0.77%
Decrease by 0.5%	15,938,865	-0.75%	1,645,140	-0.87%	1,649,873	-0.73%
Withdrawal rate (WR) varied by 10%						
WR* 110%	1,604,149	-0.11%	1,657,422	-0.13%	1,662,242	0.02%
WR* 90%	1,607,901	0.12%	1,661,977	0.14%	1,661,651	-0.02%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 50 : Employee Benefit (contd.)

c) Sick Leave Benefit

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)	DBO (₹)	Change in DBO (%)
Discount rate varied by 0.5%						
Increase by 0.5%	183,552	-4.63%	192,688	-1.28%	189,036	-3.27%
Decrease by 0.5%	188,115	-2.26%	197,809	1.34%	202,565	3.65%
Salary growth rate varied by 0.5%						
Increase by 0.5%	188,096	-2.27%	197,805	1.34%	203,981	4.38%
Decrease by 0.5%	183,548	-4.64%	192,667	-1.30%	187,564	-4.02%
Withdrawal rate (WR) varied by 10%						
WR* 110%	183,664	-4.58%	192,594	-1.33%	188,181	-3.71%
WR* 90%	187,981	-2.33%	197,894	1.38%	203,450	4.11%

Note 51 : Financial Instruments

(A) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2019, March 31, 2018 and April 1, 2017 is as follows:

(₹ in '000)

Particulars	Category	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Financial Assets				
Cash and cash equivalents	Amortised cost	21,555.00	10,963.93	9,638.84
Bank balances other than above	Amortised cost	155,258.02	60,591.03	50,497.07
Receivables				
(i) Trade receivables	Amortised cost	8,593.88	13,947.01	29,399.83
(ii) Other receivables	Amortised cost	1,923.47	1,581.83	1,479.43
Loans	Amortised cost	106,277.09	50,529.21	437,621.34
Investments				
Equity shares				
Associates and joint ventures	Amortised cost	2,768,127.91	3171889.58	3592917.36
Other than associates and joint ventures	FVTPL	535.22	-	401.21
Preference shares				
Associates	Amortised cost	609,457.23	529,962.81	583,694.24
Joint ventures	FVTPL	-	144,959.75	127,836.56
Security deposits	Amortised cost	15,770.71	15,690.06	15,880.64
Other receivable	Amortised cost	-	1,040.35	756.06
Other advances	Amortised cost	-	22.97	-
Total Financial Assets		**3,687,498.53**	**4,001,178.53**	**4,850,122.58**
Financial Liabilities				
Trade payables	Amortised cost	7,152.58	8,270.26	23,041.74
Borrowings	Amortised cost	-	9,183.00	19,476.93
Unclaimed dividends	Amortised cost	2,359.07	2,939.24	3,557.56
Interest accrued and but not due on borrowing	Amortised cost	-	84.67	180.43
Interest free security	Amortised cost	1,038.97	1,035.62	1,031.49
Debit balance of current account of partnership firms	Amortised cost	195,842.94	101,205.16	93,719.47
Payable to residential welfare association	Amortised cost	56.87	109.00	8,786.56
Total Financial Liabilities		**206,450.43**	**122,826.95**	**149,794.18**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 51 : Financial Instruments (contd.)

(B) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. Fair values were measured by using level 3 inputs.

For all the financial assets and liabilities referred above that are measured at fair value through profit or loss, their fair values were measured by using level 3 inputs.

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

There were no transfers between any levels during the year.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures which are included in level 3.

Note 52 : Financial risk management

The Group business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management Committee of the Company is supported by the Finance team and experts of respective business divisions that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimizing returns; and
- protect the Company's financial investments, while maximizing returns.

The Treasury department is responsible to maximize the return on companies internally generated funds.

A. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

Investment in debt instrument:

The Group assesses and manages credit risk based on credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The Company has accounted impact of credit risk as set out in note 2(l) wherever requires.

Loan :

The Group considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any security.

The Company is adhere to guideline on provisioning for non-performing assets as defined by the RBI.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 52 : Financial risk management (contd.)

Trade receivables:

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. The group has exposure limited to India.

The group's exposure to credit risk for trade receivable by business segment is as follow; (₹ in '000)

Name of Business Segment	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Real estate	8,051.73	13,435.78	28,586.94
Insurance broking	542.15	511.23	812.93
Total trade receivable	8,593.88	13,947.01	29,399.87
Expected credit loss for trade receivables under simplified approach	6,540.31	6540.31	6540.31

B. Management of Market risks

Market risks comprises of:

- price risk; and
- interest rate risk

The Group does not designate any fixed rate financial assets as fair value through profit and loss nor at fair value through OCI. Therefore company is not exposed to any interest rate risks. Similarly company does not have any financial instrument which is exposed to change in price.

C. Management of Liquidity Risk:

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the company's credit rating and impair investor confidence.

D. Capital Management

The Group considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the balance sheet includes retained profit and share capital.

The group aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 53 : Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2019 (₹ in '000)

Particular	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Term loan			
Vehicle Loan	-	-	297.93
From Bank (secured)	-	9,183.00	19,179.00
Interest accrued and but not due on borrowing	-	84.67	180.43
Total	**-**	**9,267.67**	**19,657.36**

Particular	Liabilities from financing activities		
	Unsecured	Secured loan	Amount
Net debt as at April 1, 2017	-	19,657.36	19,657.36
Availed during the year	-	-	
Interest expenses for the year	-	2,201.93	2,201.93
Interest and principal repayment	-	(12,591.62)	(12,591.62)
Net debt as at March 31, 2018	-	**9,267.67**	**9,267.67**
Availed during the year	5,200.00	-	5,200.00
Interest expenses for the year	191.08	420.33	611.41
Interest and principal repayment	(5,391.08)	(9,688.00)	(15,079.08)
Net debt as at March 31, 2019	-	-	-

Note 54 :

The Company had received letter from the Reserve Bank of India (RBI) dated June 25, 2018. Vide said letter, the RBI has prohibited the Company not to expand its credit/investment portfolio other than investment in Government Securities till Net NPAs are brought down to below 5%.

The Board of the Company in its meeting held on August 13, 2018 discussed and deliberated on the issues raised by RBI. The board of the Company drew an action plan for the same and submitted response to the RBI accordingly.

In a further letter to RBI dated March 29, 2019, the Company has put in detail its action plan and updated in bound action plan. The total loan recovered during the year is ₹ 843 lakhs which includes ₹ 593 lakhs of IIT Insurance Broking & Risk Management Private Limited and ₹ 250 lakhs of World Resorts Limited.

Note 55 : First time adoption of Ind AS

Transition to Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 & 2 have been applied in preparing the financial statements for the year ended March 31, 2019, the comparative information presented in these financial statements for the year ended March 31, 2018 and in the preparation of an opening Ind AS balance sheet at April 1, 2017 (date of transition). In preparing its opening Ind AS balance sheet, the group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

A. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Group has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and IGAAP have been recognized directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Group in restating its IGAAP financial statements, including the Balance Sheet as at April 1, 2017 and the financial statements as at and for the year ended March 31, 2018.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 55 : First time adoption of Ind AS (contd.)

i) Ind AS optional exemptions

Deemed cost :

As per Ind AS 101 an entity may elect to:

a) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date

b) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:

- fair value;

- or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

c) use carrying value of property, plant and equipment and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Group has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment and investment property.

Similarly, investment in associates has elected to measured at deemed cost as at its transition date at their IGAAP carrying value.

Further as per para D31AA of Ind AS 101, An entity shall recognised initial investment in joint ventures as the aggregate of the carrying amounts of the assets and liabilities that the Company had previously proportionately consolidated, including any goodwill arising form the acquisition. Accordingly the Group has recognised investment in joint ventures on transition date in the prescribed manner.

ii) Ind AS mandatory exemptions

The Group has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

Estimates :

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2017 are consistent with the estimates as at the same date made in conformity with IGAAP. The Group made estimates for following item in accordance with Ind AS at the date of transition as these were not required under IGAAP:

- Impairment of financial assets based on expected credit loss model

- Determination of the discounted value for financial instruments carried at amortised cost

De-recognition of financial assets and liabilities:

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Accordingly, the Group has determined the classification and measurement of financial assets based on facts and circumstances that exist on the date of transition with prospectively.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 55 : First time adoption of Ind AS (contd.)

B. Reconciliation of equity, total comprehensive income and cash flows

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

Effect of Ind AS adoption on Balance Sheet as at March 31, 2018 and April 1, 2017 (₹ in '000)

Particulars	Note no.	As at March 31, 2018			As at April 1, 2017		
		Previous GAAP*	Effect of Ind AS Transition	Ind AS	Previous GAAP*	Effect of Ind AS Transition	Ind AS
ASSETS							
I. Financial assets							
Cash and cash equivalents		10,963.93	-	10,963.93	9,638.84	-	9,638.84
Bank balances other than above		60,591.03	-	60,591.03	50,497.07	-	50,497.07
Receivables							
(i) Trade receivables		13,947.01	-	13,947.01	29,399.83	-	29,399.83
(ii) Other receivables		1,581.83	-	1,581.83	1,479.43	-	1,479.43
Loans	i	52,816.21	(2,287.00)	50,529.21	444,804.10	(7,182.76)	437,621.34
Investments	ii	3,953,717.07	(106,904.93)	3,846,812.14	4,343,065.39	(38,216.02)	4,304,849.37
Other financial assets		16,753.38	-	16,753.38	16,632.53	4.17	16,636.70
		4,110,370.46	**(109,191.93)**	**4,001,178.53**	**4,895,517.19**	**(45,394.61)**	**4,850,122.58**
II. Assets Classified as held for sale	iii	-	-	-	-	22.03	22.03
III. Non-financial assets							
Inventories		37,816.24	-	37,816.24	49,944.78	-	49,944.78
Current tax assets (net)		33,577.75	-	33,577.75	46,347.33	-	46,347.33
Deferred tax assets (net)	viii	65,369.83	(1,113.47)	64,256.36	24,587.23	(475.27)	24,111.96
Investment property	iii	69.96	-	69.96	95.63	(22.03)	73.60
Property, plant and equipment		129,698.59	-	129,698.59	135,099.70	-	135,099.70
Goodwill		88,816.01	-	88,816.01	88,816.01	-	88,816.01
Other Intangible assets		106.37	-	106.37	231.56	-	231.56
Other non-financial assets	vi	23,693.82	45.17	23,738.99	18,426.67	303.84	18,730.51
		379,148.57	**(1,068.30)**	**378,080.27**	**363,548.91**	**(193.46)**	**363,355.45**
Total Assets		**4,489,519.03**	**(110,260.23)**	**4,379,258.80**	**5,259,066.10**	**(45,566.04)**	**5,213,500.06**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 55 : First time adoption of Ind AS (contd.)

B. Reconciliation of equity, total comprehensive income and cash flows (contd.) (₹ in '000)

Particulars	Note no.	As at March 31, 2018			As at April 1, 2017		
		Previous GAAP*	Effect of Ind AS Transition	Ind AS	Previous GAAP*	Effect of Ind AS Transition	Ind AS
LIABILITIES AND EQUITY							
I. LIABILITIES							
Financial Liabilities							
(i) Trade payable							
- total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
- total outstanding dues of other than micro enterprises and small enterprises		8,270.26	-	8,270.26	23,041.74	-	23,041.74
Borrowings (other than debt securities)		9,183.00	-	9,183.00	19,476.93	-	19,476.93
Other financial liabilities	vii	88,460.19	16,913.50	105,373.69	48,234.34	59,041.17	107,275.51
		105,913.45	**16,913.50**	**122,826.95**	**90,753.01**	**59,041.17**	**149,794.18**
Non-financial Liabilities				-			
Current tax liabilities (net)		25.50	-	25.50	25.50	-	25.50
Provisions		9,252.50	(109.15)	9,143.35	9,645.53	(167.48)	9,478.05
Deferred tax liabilities (net)	v	-	25.12	25.12	-	30.09	30.09
Other non-financial liabilities	viii	54,846.37	-	54,846.37	13,306.84	4.18	13,311.02
		64,124.37	**(84.03)**	**64,040.34**	**22,977.87**	**(133.21)**	**22,844.66**
II. EQUITY							
Equity Share Capital		225,475.50	-	225,475.50	225,475.50	-	225,475.50
Other equity		4,094,005.71	(127,089.70)	3,966,916.01	4,914,506.52	(104,474.00)	4,810,032.52
Non-Controlling Interest		-	-	-	5,353.20	-	5,353.20
		4,319,481.21	**(127,089.70)**	**4,192,391.51**	**5,145,335.22**	**(104,474.00)**	**5,040,861.22**
Total Liabilities and Equity		**4,489,519.03**	**(110,260.23)**	**4,379,258.80**	**5,259,066.10**	**(45,566.04)**	**5,213,500.06**

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

Reconciliation of Equity as on March 31, 2018 and April 1, 2017 (₹ in '000)

Particulars	Note no.	As at March 31, 2018	As at April 1, 2017
Net equity as per Previous GAAP*		**4,094,005.71**	**4,914,506.52**
Impact of Expected Credit Loss on loans	i	(2,287.00)	(7,182.76)
Recognition of financial assets at amortised cost based on effective interest rate	ii	(106,904.93)	(38,216.02)
Amortisation of processing fee on bank loan based on effective interest rate	vi	45.17	99.37
Remeasurement employee benefits	v	109.15	371.95
Share of profit/loss from associates and joint ventures	vii	(16,913.50)	(59,041.18)
Tax impact on above	viii	(1,138.59)	(505.36)
Net equity as per Ind AS		**3,966,916.01**	**4,810,032.52**

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 55 : First time adoption of Ind AS (contd.)

B. Reconciliation of equity, total comprehensive income and cash flows (contd.)

Reconciliation of Statement of profit and loss as previously reported under previous GAAP to Ind AS (₹ in '000)

Particulars	Note no.	Year ended March 31, 2018		
		Previous GAAP*	Effect of Ind AS Transition	Ind AS
Income				
Revenue from Operations				
Interest income	iv	35,025.09	87,130.98	122,156.07
Dividend income		7.98	-	7.98
Fees and commission income		3,814.84	-	3,814.84
Sale of products		16,038.95	-	16,038.95
Sale of services		3,000.00	-	3,000.00
Others	i	28,212.61	4,895.76	33,108.37
Total revenue from operation		**86,099.47**	**92,026.74**	**178,126.21**
Other income		12,888.05	-	12,888.05
Total Income		**98,987.52**	**92,026.74**	**191,014.26**
Expenses				
Finance costs	vi	2,222.97	54.20	2,277.17
Impairment on financial instruments		404,804.10	-	404,804.10
Changes in Inventories of finished goods,stock-in-trade and work-in-progress		12,128.54	-	12,128.54
Employee benefits expenses	v	23,333.37	1,416.84	24,750.21
Depreciation, amortization and impairment		5,427.75	-	5,427.75
Other expenses	ii	31,832.99	63,767.66	95,600.65
Total Expenses		**479,749.72**	**65,238.70**	**544,988.42**
Profit/(loss) before exceptional items, share of net profit of investment accounted for using equity method and tax		**(380,762.20)**	**26,788.04**	**(353,974.16)**
Share of net profit/(loss) of joint ventures and associates accounted for using equity method	vii	(430,172.32)	1,418.22	(428,754.10)
Profit/(loss) before exceptional items and tax		**(810,934.52)**	**28,206.26**	**(782,728.26)**
Exceptional items	ii	(5,389.44)	90,688.70	96,078.14
Profit/(loss) before tax		**(816,323.96)**	**(62,482.44)**	**(878,806.40)**
Tax expenses				
Current tax		6,404.74	-	6,404.74
Deferred tax	viii	(36,220.60)	615.07	(35,605.53)
		(29,815.86)	**615.07**	**(29,200.79)**
Profit/(Loss) for the year		**(786,508.10)**	**(63,097.51)**	**(849,605.61)**
Share of profit/(loss) attributable to non-controlling interest		(5,370.26)	-	(5,370.26)
Profit/(loss) for the year		**(781,137.84)**	**(63,097.51)**	**(844,235.35)**
Other comprehensive income				
i. Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit liability/asset	v	-	(1,154.05)	(1,154.05)
Tax on remeasurement of defined benefit -Actuarial gain or loss	viii	-	18.16	18.16
Other comprehensive income		**-**	**(1,135.89)**	**(1,135.89)**
Total comprehensive income for the year		**(781,137.84)**	**(61,961.62)**	**(843,099.46)**

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 55 : First time adoption of Ind AS (Contd.)

B. Reconciliation of equity, total comprehensive income and cash flows (contd.)

Reconciliation of total comprehensive income for the year ended March 31, 2018 (₹ in '000)

Particulars	Note no.	Year ended March 31, 2018
Net Profit/(Loss) after tax as reported under Previous GAAP*		**(781,137.84)**
Adjustments		
Recognition of financial assets at amortised cost based on effective interest rate	ii	87,130.98
Impact of Expected Credit Loss on loans	i	4,895.76
Amortisation of processing fee on bank loan based on effective interest rate	vi	(54.20)
Remeasurement of financial assets	ii	(154,456.36)
Remeasurement employee benefits	v	(280.95)
Share of profit/loss from associates and joint ventures	vii	1,418.22
Reclassification of actuarial gain/loss on employee benefits to Other Comprehensive Income	v	(1,135.89)
Tax impact on above adjustments	viii	(615.07)
Net Profit/(Loss) after tax as per Ind AS		**(844,235.35)**
Other Comprehensive income (net of taxes) attributable to owners of the Company	v	1,135.89
Total Comprehensive income as per Ind AS		**(843,099.46)**

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

Explanations for Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS at transition date

Note i : Loans

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for expected credit loss on loans credit. As a result, the allowance for expected credit loss is ₹ 22.87 Lakhs as at March 31, 2018 and ₹ 71.83 lakhs as at April 01, 2017. Loans are to be tested for impairment using Expected Credit loss model (ECL), accordingly there was ECL reversal of ₹ 24.47 lakhs during the year ended March 31, 2018.

Note ii : Investments

A financial instrument that is held within a business model to collect contractual cash flows and the contractual terms of which give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount is measured at amortised cost. Interest on these investment is calculated on the basis of effective interest rate (EIR). Initial recognition of all financial assets is done at fair value. On transition date due to recognisation of Interest the other equity increased by ₹ 2,487.38 lakhs as on April 1, 2017 and by ₹ 3,358.69 lakhs as on March 31, 2018.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 55 : First time adoption of Ind AS (contd.)

Explanations for Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS at transition date (contd.)

Also as per IND AS 109, Investments in preference shares were remeasured at fair value initially and subsequently at amortised cost from date of issue, thus due to this adjustment the Other Equity reduced by Rs 3,691.42 lakhs as on April 1, 2017 and Rs 5,235.99 lakhs as on March 31, 2018 including amount of ₹ 1,544.56 lakhs reduction of fair value of preference share on account of one time settlement (refer note 47).

Note iii : Non-Current Assets Held for Sale

As per Ind AS, if the entity decides to recover carrying amount of it's Investment Property through sale rather than its continuous use, than the said asset will be classified as Non-Current assets held for Sale. Accordingly a commercial property is classified as held for sale.

Note iv : Interest Income

As per Ind AS 109, Interest Income on financial Instruments is to be recognised using effective interest rate method, accordingly Interest income on preference share of Rs 871.31 lakhs is recognised in Profit and loss Account for the year ended March 31, 2018.

Note v : Remeasurement of post-employment benefit obligation

As per Ind AS, remeasurement i.e. actuarial gain/loss and return on plan assets, excluding amount included in net interest expense on the net defined benefit asset/liability are recognised in other comprehensive income instead of profit and loss. Under the Previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, profit/loss for the year ended March 31, 2018 decreased by ₹ 11.36 lakhs. There is impact on total equity of ₹ 3.72 lakhs as at April 1, 2017 and ₹ 1.09 lakhs as at March 31, 2018.

Note vi : Borrowings

Ind AS 109 requires transaction cost incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognisation. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expenses by applying the effective interest rate method.

Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred. Accordingly, impact of ₹ 54,204/- given in the profit and loss for the year ended March 31, 2018 and ₹ 99,374/- in equity as on April 1, 2017.

Note vii : Share of profit/loss from associates and joint ventures

The adoption of Ind AS by the associates and joint venture have impact on total equity of ₹ 590.41 lakhs as on transition date and ₹ 159.14 lakhs as at March 31, 2018. Also impact of ₹ 14.18 lakhs to the profit/loss for the year ended March 31, 2018.

Note viii : tax impact

On account of the above Ind AS adjustments, there is net impact of ₹ 5.05 lakhs on transition date and ₹ 11.39 lakhs as at March 31, 2018. Also impact of ₹ 6.15 lakhs to the profit/loss for the year ended March 31, 2018.

Note ix: Retained earnings

Retained earnings has been adjusted consequent to the above Ind AS transition adjustments.

a) Joint ventures

Under previous GAAP, the joint ventures entities accounted for using the proportionate consolidation method. Under Ind AS, It has been accounted for using the equity method.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 55 : First time adoption of Ind AS (contd.)

The following assets and liabilities of Joint Controlled Entities were previously proportionately consolidated under previous GAAP:

(₹ in '000)

Particulars	As at March 31, 2018	As at April 1, 2017
ASSETS		
I. Financial assets		
Cash and cash equivalents	256,473.43	163,817.47
Bank balances other than above	6,454.16	51,000.99
Receivables		
(i) Trade receivables	416,509.68	210,390.39
(ii) Other receivables	392,611.93	412,694.84
Loans	(2,326.18)	(178,154.39)
Investments	2,965,675.78	2,550,816.77
Other financial assets	260,538.06	245,974.28
	4,295,936.86	**3,456,540.35**
II. Non-financial assets		
Inventories	3,053,451.15	3,431,758.67
Current tax assets (net)	15,692.46	4,931.06
Deferred tax assets (net)	4,038.75	3,842.31
Property, plant and equipment	26,813.83	(18,402.03)
Capital work-in-progress	6,406.49	7,292.34
Goodwill	2,328,481.51	2,663,974.34
Other intangible assets	20,067.93	18,944.95
Other non-financial assets	148,587.75	130,692.60
	5,603,539.87	**6,243,034.24**
Total Assets	**9,899,476.73**	**9,699,574.59**
LIABILITIES AND EQUITY		
I. LIABILITIES		
Financial Liabilities		
Payable		
(i) Trade payable		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of other than micro enterprises and small enterprises	1,305,272.48	1,275,980.24
(ii) Other payable		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of other than micro enterprises and small enterprises	6,623,023.35	6,836,974.65
Borrowings (other than debt securities)	1,075,727.01	853,386.27
Other financial liabilities	171,768.61	256,497.58
	9,175,791.45	**9,222,838.74**
Non-financial Liabilities		
Current tax liabilities (net)	4,562.00	626.02
Provisions	7,486.55	12,240.27
Other non-financial liabilities	566,694.25	703,067.39
	578,742.80	**715,933.68**
Total Liabilities	**9,754,534.25**	**9,938,772.42**
Net assets/(liabilities) derecognised	**144,942.48**	**(239,197.83)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 55 : First time adoption of Ind AS (contd.)

The following income and expenditure of Joint Controlled Entities were previously proportionately consolidated under previous GAAP:
(₹ in '000)

Particulars	Year ended March 31, 2018
Income	
Revenue from Operations	
Interest income	(7,109.17)
Dividend income	(7.98)
Fees and commission income	(491.38)
Sale of products	1,207,935.13
Sale of services	2,408,050.78
Others	8,920.40
Total revenue from operation	**3,617,297.78**
Other income	773.75
Total Income	**3,618,071.53**
Expenses	
Finance costs	113,672.51
Fees and commission expense	1,338,337.55
Impairment on financial instruments	(185,257.34)
Changes in Inventories of finished goods,stock-in-trade and work-in-progress	959,208.11
Employee benefits expenses	15,905.17
Depreciation, amortization and impairment	463.07
Other expenses	1,509,051.36
Total Expenses	**3,751,380.43**
Profit/(loss) before exceptional items, share of net profit of investment accounted for using equity method and tax	**(133,308.90)**
Share of net profit/(loss) of joint ventures and associates accounted for using equity method	433,567.29
Profit/(loss) before exceptional items and tax	**300,258.39**
Exceptional items	48,753.74
Profit/(loss) before tax	**349,012.13**
Tax expenses	
Current tax	(202.04)
Deferred tax	50.24
	(151.80)
Profit/(Loss) for the year	**349,163.93**
Share of profit/(loss) attributable to non-controlling interest	5,370.59
Profit/(loss) for the year	**343,793.34**

Summarised statement of cash flows of joint ventures for the year ended March 31, 2018 not considered under Ind AS in the consolidated statement of cash flows :
(₹ in '000)

Particulars	Year ended March 31, 2018
Net Cash flow from operating activities,	(126,606.97)
Net Cash flow from investing activities,	(62,780.77)
Net Cash flow from financing activities,	(94,231.72)
Others	376,275.44
Net increase/(decrease) in cash and cash equivalents	**92,655.98**
Cash and cash equivalents as at April 1, 2017	163,817.47
Cash and cash equivalents as at March 31, 2018	**256,473.45**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 56 : Interest in Joint Ventures

(a) : Group Information

Joint Venture in which group is a co-venturer

Name of Entity	Country of incorporation	Percentage of holding as on March 31, 2019	Percentage of holding as on March 31, 2018	Principal Activities
Future Generali India Life Insurance Company Ltd	India	17.73%	18.80%	Life Insurance
Capital Infraprojects Private Limited (CIPL)	India	50%	50%	Real Estate
IITL Nimbus The Hyde Park Noida (INHP) - Partnership Firm	India	50%	50%	Real Estate
IITL Nimbus The Express Park View (INEPV) - Partnership Firm	India	50%	47.5%	Real Estate
IITL Nimbus The Palm Village (INPV) - Partnership Firm	India	50%	47.5%	Real Estate

The group's interest in these joint ventures are accounted for using equity method in the consolidated financial statement.

(b) : Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements is as follows: (₹ in '000)

Summarised Balance Sheet	CIPL		INHP		INEVP	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Proportion of ownership interest held by the group at the year end	50%	50%	50%	50%	50%	47.5%
Non-Current Assets	17,764.00	27,542.81	37,860.00	17,846.14	4,419.00	4,289.04
Current Assets (a)	1,937,157.00	2,404,920.15	2,376,233.00	1,993,462.12	3,270,215.00	2,423,989.70
Total Assets (I)	**1,954,921.00**	**2,432,462.96**	**2,414,093.00**	**2,011,308.27**	**3,274,634.00**	**2,428,278.74**
Non-Current Liabilities (b)	427,854.00	1,010,051.22	6,095.00	405,713.09	875,200.00	1,166,347.71
Current Liabilities (c)	1,785,829.00	1,450,538.17	2,316,873.00	1,470,880.31	2,394,421.00	1,250,902.31
Total Liabilities (II)	**2,213,683.00**	**2,460,589.39**	**2,322,968.00**	**1,876,593.40**	**3,269,621.00**	**2,417,250.03**
Total Net Assets/(Liabilities) (I-II)	**(258,762.00)**	**(28,126.43)**	**91,125.00**	**134,714.87**	**5,013.00**	**11,028.71**
(a) Includes cash and cash equivalents	36,796.00	8,371.43	71,330.00	56,947.56	7,907.00	14,198.37
(b) Includes Non current financial liabilities	320,421.00	333,104.79	5,672.00	64,733.56	85,918.00	109,585.04
(c) Includes current financial liabilities	151,831.00	56,449.00	95,438.30	195,238.21	44,143.00	8,967.85

(₹ in '000)

Summarised statement of Profit and Loss	CIPL		INHP		INEVP	
	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Proportion of ownership interest held by the group at the year end	50%	50%	50%	50%	50%	47.5%
Revenues	3,031,799.00	464,444.42	1,583,419.00	1,880,251.61	1,078,588.00	115,149.21
Operating Costs	2,877,115.00	364,697.73	1,315,476.00	1,482,858.54	1,049,177.00	74,589.42
Employee benefits expenses	15,594.00	14,395.84	15,978.00	16,041.66	985.00	881.34
Finance cost	100,665.00	98,084.00	85,919.00	164,332.66	43,617.00	25,086.50
Depreciation and amortisation expenses	1,655.00	177.57	393.00	675.38	51.00	52.24
Other expenses	162,390.00	54,711.97	106,886.00	276,543.93	56,274.00	8,841.29
Profit/(loss) before exception item and tax	**(125,620.00)**	**(67,622.69)**	**58,767.00**	**(60,200.56)**	**(71,516.00)**	**5,698.42**
Exception items	-	3,440.68	-	135.00	(3,747.00)	-
Tax expenses	-	(37.80)	18,192.00	(412.99)	(2.00)	1.80
Profit/(loss) after tax	**(125,620.00)**	**(71,025.57)**	**40,575.00**	**(59,922.57)**	**(75,265.00)**	**5,696.62**
Other comprehensive income	(250.00)	83.78	147.00	(89.73)	6.00	8.15
Total comprehensive income for the year	**(125,370.00)**	**(71,109.35)**	**40,722.00**	**(59,832.84)**	**(75,271.00)**	**5,688.47**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 56 : Interest in Joint Ventures (contd.)

(₹ in '000)

Reconciliation of carrying amount	CIPL		INHP		INEVP	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Total net assets of JV (a)	(258,762.00)	(28,126.43)	91,125.00	134,714.87	5,013.00	11,028.71
Proportion of ownership interests held by the Group (b)	50%	50%	50%	50%	50%	47.5%
Group share of net assets (a*b)	(129,381.00)	(14,063.22)	45,562.50	67,357.43	2,506.50	5,238.64
Add/(Less): difference in capital contribution					(55,631.25)	(37,599.69)
Add/(Less): Inter company elimination					-	1,858.37
Carrying amount of Investment	-	-	45,562.50	67,357.43	(53,124.75)	(30,502.68)

(₹ in '000)

Summarised Balance Sheet	INPV		FGILICL	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Proportion of ownership interest held by the group at the year end (%)	50.0%	47.5%	17.73%	18.80%
Non-Current Assets	10,913.00	10,735.86		
Current Assets (a)	1,441,568.00	1,432,880.77		
Total Assets (I)	**1,452,481.00**	**1,443,616.63**	**42,798,856.55**	**36,957,342.28**
Non-Current Liabilities (b)	289,842.00	305,489.85		
Current Liabilities (c)	952,601.00	799,343.86		
Total Liabilities (II)	**1,242,443.00**	**1,104,833.70**	**40,253,420.60**	**33,593,634.29**
Total Net Assets/(Liabilities) (I-II)	**210,038.00**	**338,782.92**	**2,545,435.95**	**3,363,707.98**
(a) Includes cash and cash equivalents	408.00	2,238.12	1,151,945.00	1,081,120.00
(b) Includes Non current financial liabilities	49,184.00	44,566.52		
(c) Includes current financial liabilities	17,854.00	10,321.27		

(₹ in '000)

Summarised statement of Profit and Loss	INPV		FGILICL	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Proportion of ownership interest held by the group at the year end	50.0%	47.5%	17.73%	18.80%
Revenues	5,617.00	5,636.05	14,293,435.14	10,757,724.77
Operating Costs	-	-	9,727,891.78	7,130,337.00
Employee benefits expenses	617.00	533.48	3,283,768.00	2,483,394.00
Finance cost	133,237.00	29,354.05	-	-
Depreciation and amortisation expenses	22.00	24.82	-	-
Other expenses	482.00	1,072.88	3,172,204.00	2,969,685.00
Profit/(loss) before exception item and tax	**(128,741.00)**	**(25,349.17)**	**(1,890,428.64)**	**(1,825,691.23)**
Exception items	(8,746.00)	-	-	
Tax expenses	-	(2.68)		
Profit/(loss) after tax	**(137,487.00)**	**(25,346.49)**	**(1,890,428.64)**	**(1,825,691.23)**
Other comprehensive income	4.00	14.00	(22,155.19)	(161,238.21)
Total comprehensive income for the year	**(137,491.00)**	**(25,360.49)**	**(1,868,273.45)**	**(1,664,453.02)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 56 : Interest in Joint Ventures (contd.) (₹ in '000)

Reconciliation of carrying amount	INPV		FGILICL	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Total net assets of JV (a)	210,038.00	338,782.92	2,545,435.95	3,363,707.98
Proportion of ownership interests held by the Group (b)	50%	47.5%	17.73%	18.80%
Group share of net assets (a*b)	105,019.00	160,921.89	451,305.79	632,377.10
Add/(less): difference in capital contribution	(2,500.00)	8,613.13	-	-
Add/(less): Inter company elimination	-	-	-	-
Carrying amount of Investment	102,519.00	169,535.01	2,496,005.94	2,863,248.63

* adjusted according to holding as on balance sheet date

Note 57: Investment in associate and joint venture (₹ in '000)

Particular	FGIL		WRL		GPFMPL	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
i) Number of equity shares (nos.)	326,700,000	326,700,000	13,018,125	13,018,125	50,000	50,000
ii) Percentage holding (%)	17.73%	18.80%	25.00%	25.00%	50.00%	50.00%
iii) Cost of Investment (equity shares)	3,400,000.00	3,400,000.00	155,181.25	155,181.25	500.00	500.00
Goodwill/(capital reserve) included in cost of Investment above	2,663,974.34	2,663,974.34	45,087.00	45,087.00	(75.41)	(75.41)
iv) Share in accumulated profit/(loss) net of dividend received						
At the beginning of the year	199,274.29	590,453.83	(155,181.25)	(155,181.25)	546.01	360.09
Share during the year	(367,242.69)	(391,179.53)	5,215.91	-	297.82	185.92
At the end of the year	(167,968.40)	199,274.29	(149,965.34)	(155,181.25)	843.83	546.01
v) Carrying cost	2,496,005.94	2,863,248.63	5,215.91	-	1,343.83	1,046.01

Note 58:

As at March 31, 2019, the Company has an investment in its subsidiary IITL Projects Limited having amount of ₹ 1,361.23 lakhs in equity shares and ₹ 4,002.27 lakhs in preference shares.

The financial results of the subsidiary have been prepared on a going concern basis, although the subsidiary is incurring continuous losses. The net worth of the subsidiary is negative as on March 31, 2019.

In view of current status of the Real Estate Industry and in particular adverse cash flows of the its Joint Ventures of the subsidiary, their ability to continue as going concern is uncertain. Further considering that the subsidiary has also net loss for the year and the current liabilities exceeded its total assets indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a Going Concern.

Considering the above, the company has made an impairment provision of ₹ 475.09 lakhs towards equity investment based on the market price of equity shares of subsidiary as at September 30, 2018.

Further the Company has provided loss of ₹ 4,002.27 lakhs fully on account of change in fair value of preference share of the subsidiary as at March 31, 2019.

The Company has investment in preference share of one of the joint venture namely Capital Infra Projects Private Limited of the subsidiary IITL Projects Limited of ₹ 1,610.09 lakhs as at March 31, 2019.

In view of current status of the Real Estate Industry and impact on realisable value of unsold Inventories and the considering the adverse cash flow of the joint venture, their ability to continue as going concern is uncertain. The Company has provided loss of ₹ 1,610.09 lakhs fully on account of change in fair value of preference share of Capital Infra Projects Private Limited as at March 31, 2019.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 59: Significant notes on the Financial statements of subsidiaries and its Joint Ventures

59(a) : IITL PROJECTS LIMITED

The financial statements have been prepared on a going concern basis, although the company is incurring continuous losses and the net worth of the Company is negative as on March 31, 2019. Indicates the existence of a material uncertainty, that may cast significant doubt about the Company's ability to continue as a going concern.

In view of current status of the Real estate industry and in particular the adverse cash flows of the two Joint Ventures namely, IITL-Nimbus The Express park view, and Capital infra projects private limited, their ability to continue as going concern is uncertain. Further considering that the company has also incurred net Loss of ₹ 1,548.41 lakhs for the year and the current liabilities exceeded its Total assets indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a Going Concern.

Considering the above the investments in two joint venture got impaired. Based on the financial statement of Joint venture as well as estimated cash flow impairment loss for the full value carrying value is recognized as impairment loss

59(b) : IITL NIMBUS THE PALM VILLAGE

i) Due to subdued market sentiments and poor response, the Firm has temporarily suspended the operations/activities in the project. No substantial administrative and technical work was carried out in the project. Hence, the management committee in its meeting dt. January 29, 2018 decided that w.e.f. January 1, 2018, all the borrowing costs i.e. Interest on Unsecured Loan, Interest on Land Premium and Interest on Delayed payment of premium be directly charged to Statement of Profit & Loss instead of capitalization to inventories. Similarly, Interest on delayed payment of Farmer Compensation and interest on lease rent are also being directly charged to Statement of Profit & Loss.

ii) The conditions in the project, as mentioned above, indicate the existence of material uncertainty about the Firm's ability to continue as a going concern. However, considering the prevailing rate of land as per Yamuna Expressway Industrial Development Authority (YEIDA) official site, the valuation of land as at March 31, 2019 is in excess of the book value and also the management is in the process of finding alternate options within overall framework of the lease agreement, no impairment has been provided in the books of account.

59(c) : IITL NIMBUS THE EXPRESS PARK VIEW

Greater Noida Industrial Development Authority (GNIDA) came out with Project Settlement Policy (PSP) dated December 15, 2016, to allow partial surrender of project land, due to slow down and recession in Real Estate Industry.

The Firm applied for partial surrender of project land as provided in PSP, vide their letter dated June 7, 2017 and as per letter dt. June 26, 2017 from the Authority, Firm's application was accepted by Board of GNIDA, which would be processed as per terms and conditions of PSP.

In letter dt June 7, 2017 the Firm has made two proposals to surrender the remaining land under PSP.

PROPOSAL-A- in this proposal the Firm has intended to surrender 12000 Sq M of land out of total land as per the drawing submitted.

Under this proposal the firm shall utilise 59200 Sq Ft. Additional FAR area out of sanctioned additional FAR which was allotted vide letter dt October 15, 2004, against which the Firm made total payment of ₹ 1,26,64,341/- to the Authority.

PROPOSAL-B- in this proposal the Firm has intended to surrender 10000 Sq M of land, under which the Firm has consumed the permissible FAR 2.75 as per sanction / approvals.

In the application dated June 7, 2017 (requesting for partial surrender of project land as provided in PSP dated December 15, 2016), the Firm has requested the Authority to accept either proposal A or proposal B.

No communication other than letter dt June 26, 2017 as supra has been received from the Authority.

Note 60 : Segment information

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 60 : Segment information (contd.)

The Group has four principal operating and reporting segments; viz. Investment, Insurance, Real Estate and Investment Brokerage services.

(` in '000)

Sr No	Particulars	31-Mar-2019	31-Mar-2018
1	Segment Revenue		
	(a) Investment activity	218,895.47	148,385.62
	(b) Insurance	7,274.53	4,390.61
	(c) Real Estate	7,330.08	38,195.55
	(d) Investment Brokerage Services	0.10	5.23
	(e) Others	66.79	37.25
	Income from Operations	**233,566.97**	**191,014.26**
2	**Segment Results**		
	(a) Investment activity*	(343,627.58)	(785,653.68)
	(b) Insurance	3,181.48	(7,659.35)
	(c) Real Estate	(118,408.64)	(85,081.74)
	(d) Investment Brokerage Services	(158.08)	(119.67)
	(e) Others	(578.04)	(291.96)
	Total	**(459,590.86)**	**(878,806.40)**
	Less:		
	(a) Interest	-	-
	(b) Other unallocable expenses net off unallocable income	-	-
	(Loss)/Profit before tax	**(459,590.86)**	**(878,806.40)**
3	**Segment Assets**		
	(a) Investment activity	3,592,483.70	3,852,442.27
	(b) Insurance	29,593.80	97,168.73
	(c) Real Estate	328,842.11	379,705.88
	(d) Investment Brokerage Services	1,008.30	1,478.94
	(e) Unallocated	46,838.62	48,462.98
	Total	**3,998,766.53**	**4,379,258.80**
4	**Segment Liabilities**		
	(a) Investment activity	87,574.51	64,620.02
	(b) Insurance	295.42	11,528.77
	(c) Real Estate	208,320.05	110,643.81
	(d) Investment Brokerage Services	1.18	1.19
	(e) Unallocated	42.09	73.50
	Total	**296,233.25**	**186,867.29**

* includes ₹ 444,763.38 ('000) (previous year ₹ 428,754.10 ('000)) net share of loss of joint ventures and associates accounted for using equity method.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 61 : Significant notes to financial statement of FGILICL

(a) : Contingent liabilities (₹ in '000)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Partly paid - up investments	-	-
Claims, other than against policies, not acknowledged as debts by the Company	-	-
Underwriting commitments outstanding (in respect of shares and securities)	-	-
Guarantees given by or on behalf of the Company	-	-
Statutory demands/liabilities in dispute, not provided for	48,047	49,425
Reinsurance obligations to the extent not provided for in accounts	-	-
Insurance claims disputed by the Company, to the extent not provided/reserved	6,049	3,774
Totalw	**54,096**	**53,199**

(b) Pending litigations against which provisions have been recorded in books of accounts

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2019. Refer note (a) above for details on contingent liabilities. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made a provision of R 75,100 (`000) (Previous year R 79,653 ('000)) at March 31, 2019.

(₹ in '000)

Particulars	**Year ended March 31, 2019**	**Year ended March 31, 2018**
Opening Balance	79,653	75,035
Less: Settled during the year	29,927	29,653
Add: Newly added contingencies	25,374	34,271
Closing Balance	75,100	79,653

(c) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account, to the extent not provided for (net of advances): ₹ 73,708 ('000) (Previous Year ₹ 32,057 ('000))

(d) Encumbrance on Assets

There are no encumbrances on the assets of the Company within or outside India as at the Balance Sheet date, except for 7.95% Government of India, 2032 amounting to Rs 39,603 ('000) (Previous Year Rs 39,547 ('000)) has been kept as collateral security with "Collateralized Borrowing and Lending Obligation (CBLO)".

(e) Expense of Management

i) Up to Financial Year 2017-18 (10th Year of Operation of the Company)

Insurance Regulatory and Development Authority of India (Expense of management of insurer transacting life insurance business) Regulation 2016 has come in force with effect from May 9, 2016.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 61 : Significant notes to financial statement of FGILICL (contd.)

With reference to the regulations, the Company has prepared a return of Expense of Management. The actual expenses have exceeded the allowable limits (as per Clause 19 (3) of Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting life insurance business) Regulations, 2016) by Rs 2,178,233 ('000) (previous year Rs 1,521,439) including Rs 592,298 ('000) (Previous Year Rs 318,814 ('000)) for participating segment.

As per the Expense of Management Regulation, 2016, the Authority may grant forbearance against any penal actions for companies which are within ten years of their operation based on their representation. The Company has accordingly represented for forbearance from the Expense of Management Regulation vide its letter dated 5th May, 2017 and letter dated 16th March, 2018 to the Authority. FY 2016-17 and FY 2017-18 is the 9th and 10th year of operation respectively. The company got its license from the Authority on September 4, 2007 and sold its first policy on November 27, 2007. Accordingly, in line with clause 2(1)(d) of the Insurance Regulatory and Development Authority of India (Expense of Management of Insurers transacting life Insurance business) Regulation, 2016, FY 2017-18 would be the 10th year of operation of the company. The response from the Authority is awaited.

(₹ in '000)

Particular	Financial Year 2017-18			Financial Year 2016-17		
	Allowable Expenses (A)	Actual Expenses (B)	Excess (C=B-A)	Allowable Expenses (A)	Actual Expenses (B)	Excess (C=B-A)
Linked Policies	516,758	504,439	(12,319)	389,999	425,778	35,779
Non-Linked Non- participating expenses	1,845,035	3,329,001	1,483,966	1,331,381	2,367,435	1,036,053
Non-Linked participating expenses	1,142,878	1,849,464	706,586	653,964	1,103,570	449,607
Total	**3,504,671**	**5,682,904**	**2,178,233**	**2,375,344**	**3,896,783**	**1,521,439**

ii) Financial Year 2018-19

In accordance with IRDAI notification dated 9th May, 2016 bearing reference no IRDAI/Reg/14/126/2016, the Company has worked out Expense of Management by considering allowance at 100% on segment basis to ascertain the excess thereof which has been borne by the shareholders. Accordingly, amount aggregating R 2,877,328 ('000) (Previous Year Nil) has been deducted from schedule 3 and added to schedule 3A.

Segment wise Summary of the Excess amount of expense charged to Policyholder Account compared to allowable limit is given as under.

(₹ in '000)

Particular	Allowable Expenses (A)	Actual Expenses (B)	Excess (C=B-A)
Linked Policies	565,949	484,256	26,571
Non-Linked Non- participating expenses	2,630,622	4,700,414	2,076,853
Non-Linked participating expenses	886,705	1,660,339	773,904
Total	**4,083,276**	**6,845,009**	**2,877,328**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 61 : Significant notes to financial statement of FGILICL (contd.)

(f) Penalty for Non-compliance / Violation (₹ in '000)

Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
Insurance Regulatory and Development Authority	-	-	-	-
Service Tax Authorities	-	-	-	-
Income Tax Authorities	-	-	-	-
Any other Tax Authorities	-	-	-	-
Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	-	-	-	-
Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	-	-	-	-
Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
Securities and Exchange Board of India	-	-	-	-
Competition Commission of India	-	-	-	-
Any other Central/State/Local Government / Statutory Authority	-	-	-	-

During the Previous Year the company had made payment of Rs 300 ('000) to the Directorate of Enforcement of India towards the delay of 6 days in reporting to Reserve Bank of India about the allotment made by the Company to its foreign shareholder - Generali Participations Netherlands N.V (erstwhile known as Participatie Maatschappij Graafschap Holland N.V) on 30 September 2008 of 1,27,50,000 shares amounting to Rs.12,75,00,000.

Note 62 : Expenditure in foreign currency (₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Membership Fees, Travelling and other expenses	348.49	188.10
Purchase of property, plant & equipment	96.66	-

Note 63 :

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/disclosure.

Note 64 :

The Financial Statement is approved by the Board of Directors of the Company in the meeting held on May 23, 2019.

In terms of our report attached
For CHATURVEDI & SHAH LLP
Chartered Accountants
Firm Registration No. 101720W/W100355

AMIT CHATURVEDI
Partner
Membership No. 103141

Mumbai: May 23, 2019

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 23, 2019

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NOTES

NOTES

IITL GROUP

ATTENDANCE SLIP

INDUSTRIAL INVESTMENT TRUST LIMITED

CIN: L65990MH1933PLC001998
Registered Office : 14E, Rajabahadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Mumbai 400 001
E-mail address: iitl@iitlgroup.com. Website: www.iitlgroup.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP ID*	
Client ID*	

Folio No.	
No. of shares	

Name of the shareholder :

Address of the shareholder :

We/I hereby record our/my presence at the **86th Annual General Meeting** of the Company held on Saturday, September 21, 2019 at 2.15 p.m. at M.C. Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001.

*Applicable for investors holding shares in electronic form.

Signature of Member's / Proxy's

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

INDUSTRIAL INVESTMENT TRUST LIMITED

Proxy Form

Form No. MGT-11

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

CIN	: L65990MH1933PLC001998
Name of the company	: INDUSTRIAL INVESTMENT TRUST LIMITED
Registered office	: 14E, Rajabahadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Mumbai 400 001 E-mail address: iitl@iitlgroup.com. Website: www.iitlgroup.com
Name of the member (s)	:
Registered address	:
E-mail Id	:
Folio No/ Client Id /DP Id	:

I/We, being the member (s) of …………. shares of Industrial Investment Trust Ltd. 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:………………………….............................. or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 86th Annual General Meeting of the Company, to be held on the Saturday, September 21, 2019 at 2.15 p.m. at M.C. Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below :

ORDINARY BUSINESS

1. Adoption of Audited Financial Statements (Standalone & Consolidated) for the year ended March 31, 2019 and reports of the Directors and Auditors thereon
2. To appoint a Director in place of Mr. Bipin Agarwal (DIN: 00001276), who retires by rotation

SPECIAL BUSINESS

3. Re-appointment of Mr. Venkatesan Narayanan as an Independent Director
4. Appointment of Mr. Milind S. Desai as an Independent Director

Signed this…… day of……… 2019.

Affix Re. 1/- Revenue Stamp

Signature of shareholder Signature of Proxy holder(s)

Note:

1. **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.**
2. **Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.**

Notes:

1. **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.**
2. **A proxy need not be a member of the Company.**
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy or any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.


Sassoon Building
Commerce House
TITAN
Obataimu
Saffron Home
And Garden
Cheval
Lakshmi Vilas Bank
Jatia Chamber
Power Products
VB Gandhi Marg
LIV
Meals on the Way
Ayub's
Viral
Reflect Sculpt Pvt. Ltd
MC Ghia Hall
Knesset Eliyahoo
Synagogue
The Wayside Inn
Cervez
Aban House
Tower Capital
Camps of India
Mahatma Gandhi Road
Taxi Stand
Silk Route
The Irish House
Bargain Book Hut
K Dubash Marg
NIRAV MODI
Jewellery Boutique
Fort Foundation Buildin
Max Mueller Bhavan
Trade Wings
Rampart House