

IITL GROUP

Industrial
Investment
Trust
Limited



82nd
Annual Report
2014 - 2015

ANNUAL GENERAL MEETING

Date
Wednesday, September 16, 2015

Time
2.30 p.m.

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

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INDUSTRIAL INVESTMENT TRUST LIMITED
CIN: L65990MH1933PLC001998

BOARD OF DIRECTORS	:	Dr. B. Samal Mr. Bipin Agarwal Mr. R. S. Loona Mr. Venkatesan Narayanan Mr. Subhash Bhargava Mr. P. K. Rath Mrs. Bhagyam Ramani Ms. Cumi Banerjee	- Chairman - Nominee of LIC India - CEO & Company Secretary
BANKERS	:	Axis Bank Limited ICICI Bank Limited Union Bank of India IndusInd Bank Ltd. HDFC Bank Limited	
AUDITORS	:	Deloitte Haskins & Sells Chartered Accountants	
REGISTRAR & SHARE TRANSFER AGENTS	:	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai 400 078 Tel: 022 25946970 - Investor Cell Email address: rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in	
REGISTERED OFFICE	:	14E, Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001 Tel: 022 43250100 Email address: iitl@iitlgroup.com Website: www.iitlgroup.com	



NOTICE

NOTICE is hereby given that the Eighty Second 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 Wednesday, September 16, 2015 at 2:30 p.m.** to transact the following business :

ORDINARY BUSINESS

- To Consider and adopt the financial statements for the year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon and the consolidated financial statements of the Company for the year ended March 31, 2015.
- To declare dividend on Preference Shares at the rate of 10%, absorbing a sum of ₹ 3,945/- for the year ended March 31, 2015.
- To declare dividend on Equity Shares for the year ended March 31, 2015.
- To appoint a Director in place of Dr. B. Samal (DIN: 00007256), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
- To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the retiring Auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (Firm Registration No. 117365W), be and are hereby re-appointed as Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and that the Board of Directors be and is hereby authorised to fix the remuneration payable to them.”

SPECIAL BUSINESS

6. Appointment of Mrs. Bhagyam Ramani 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, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mrs. Bhagyam Ramani (DIN: 00107097), 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 in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years with effect from September 16, 2015 up to the 87th Annual General Meeting of the Company to be held in 2020 for the year ended March 31, 2020.”

7. Re-appointment of Dr. B. Samal as Executive Chairman

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 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time

being in force), and subject to such other consents and approvals as may be required and pursuant to Articles 149 and 150 of the Articles of Association of the Company, the consent of the Members be and is hereby accorded for the re-appointment of Dr. B. Samal as Executive Chairman of the Company for a period of 3 years w.e.f. January 24, 2016 to January 23, 2019 on the following terms and conditions:

- Tenure of Appointment : From January 24, 2016 to January 23, 2019
- Remuneration Payable : ₹2,25,000/- per month (Upto January 23, 2016)
₹ 3,00,000/- per month (w.e.f January 24, 2016)
- Other Perquisites and Benefits : He shall be entitled to, as per rules of the Company, to:
 - Housing Accommodation,
 - Company's contribution to Provident Fund,
 - Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and
 - Encashment of leave at the end of the tenure

In addition to salary, perquisites like club fees and use of Company's car for official purpose.

Provided that the Salary and the Perquisite on Housing Accommodation should not exceed ₹4,25,000/- per month.

Minimum Managerial Remuneration (in case of absence or inadequacy of profits):

Notwithstanding anything to the contrary herein contained, where, during the tenure of the appointment of Dr. B. Samal as the Executive Chairman of the Company, the Company has no profits or the profits are inadequate, the Company will pay the above remuneration as minimum remuneration, in compliance with Section 197 read with Section II-Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to this resolution.

8. Adoption of new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013

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 5, 14 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time

being in force), rules and regulations made thereunder and subject to the requisite approvals, consents, permissions and/or sanctions as may be required, if any, the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

9. Approval of Related Party Transactions under Clause 49 of the Equity Listing Agreement

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 Clause 49(VII) of the Equity Listing Agreement governing the Related Party Transactions and such other rules as may be applicable and amended from time to time, consent of the Members of the Company be and is hereby accorded for the transactions hitherto entered or to be entered into by the Company in the ordinary course of business and at arm's length price with the Related Parties of the Company, which exceeds the threshold limit of 10 percent of annual consolidated turnover of the Company for the financial year 2014-2015 and for every financial year thereafter, upto the maximum limits as set out in the table here under:

Maximum limits as set out for Investment / Loans / Guarantees							
Particulars	IITL Projects Limited	IIT Insurance Broking & Risk Management Private Limited	World Resorts Limited	MRG Hotels Private Limited	IITL-Nimbus the Palm Village	IITL-Nimbus the Hyde Park	IITL-Nimbus the Express Park View
Relationship with the Related Party	Subsidiary Company	Wholly Owned Subsidiary Company	Associate Company	Entity under Significant Influence			
Maximum limits of Investment upto	-	-	-	-	-	-	-
Giving of Loans	₹ 50 Crores	₹ 5 Crores	₹ 5 Crores	₹ 5 Crores	₹ 20 Crores	₹ 20 Crores	₹ 30 Crores
Corporate Guarantees issued / to be issued on behalf of	Nil	Nil	₹35.34 Crores	Nil	Nil	Nil	Nil

RESOLVED FURTHER THAT approval of Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to this resolution.

By Order of the Board of Directors
For **Industrial Investment Trust Limited**
Cumi Banerjee
CEO & Company Secretary

Mumbai : August 04, 2015

Registered Office :

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

NOTES

- 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 or any other person or shareholder.

- The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 09, 2015 to Wednesday, September 16, 2015 (both days inclusive).

- The dividend on Equity Shares as recommended by the Board, if declared at the Annual General Meeting, will be payable on or before October 15, 2015 to those shareholders or their mandates whose names stand on the Register of Members after giving effect to all valid transfer deeds in physical form lodged with the Company on or before September 08, 2015 and in respect of dematerialised shares, the dividend will be payable on the basis of beneficial ownership as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited for the purpose as on the close of business hours on September 08, 2015.
- Dividend in respect of shares held in dematerialised form shall be credited to the beneficial owner's bank account directly through Electronic Clearing Services (ECS) subject to availability of bank account details and 9 digits MICR code number. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.

Members holding shares in physical form and desirous of availing ECS facility, should provide the bank details and 9 digits MICR code number.

5. 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: M/s. Link Intime India Private Limited having their office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, Tel. No.: 2596 3838. In respect of shares held in dematerialised mode, the shareholders should inform their concerned Depository Participant only.
6. 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.
7. Members are requested to bring the copy of their Annual Report and the Attendance Slip at the Annual General Meeting.
8. 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.
9. Pursuant to the provisions of Section 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), the Company has transferred on due dates, the unpaid or unclaimed dividend amount for the financial year ended March 31, 2007 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on August 30, 2014 (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).

Members who have not encashed their dividend warrants for the year 2007-2008 or thereafter are requested to write to the Company / Registrars and Share Transfer agents. **Shareholders are requested to note that no claims shall lie against IEPF or the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.**

10. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from the Registrar and Share Transfer Agents (RTA) of the Company.
11. 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.
12. 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.
13. **E-Voting:** In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 82nd 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 remote e-voting period begins on Sunday, September 13, 2015 (9.00 a.m.) and ends on Tuesday, September 15, 2015 (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 09, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders" tab.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) 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.
- (ix) 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) <ul style="list-style-type: none"> • 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. <ul style="list-style-type: none"> 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)

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) 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 to be also 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.
- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for 'Industrial Investment Trust Limited'.
- (xiv) 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.
- (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xvi) 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.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xix) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xx) 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.
- (xxi) 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.
- 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 09, 2015.
- C. Ms. Chandanbala O. Mehta, Practising Company Secretary (Membership No. 6122) 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 [In pursuance of Clause 49 of the Listing Agreement]

Name of the Director	Dr. B. Samal	Mrs. Bhagyam Ramani
Date of Birth	02.03.1943	09.01.1952
Nationality	Indian	Indian
Date of Appointment	05.03.2008	30.03.2015
Qualifications	M.Sc. (Ag.), Ph.D (Economics), Post Graduate Diploma in Bank Management conducted by NIBM, Pune	Post Graduate in Economics (Hons) from Bombay University with specialization in Industrial & Monetary Economics
Expertise in specific functional areas	He has more than 35 years of experience in the areas of Banking – Rural Credit, HRD, Security related Market and Industrial Finance. He has served as Chairman & Managing Director of Allahabad Bank and Industrial Investment Bank of India. He was also a member of Securities Appellate Tribunal (SAT), Ministry of Finance, Government of India, Department of Economic Affairs.	She started her career in General Insurance Corporation of India, a Government of India Undertaking, as a direct recruit Officer and worked in various capacities with the company before assuming the office of Executive Director & General Manager.
Directorships held in other companies	<ol style="list-style-type: none"> 1. Mayfair Hotels and Resorts Limited 2. IITL Projects Limited 3. IITL Marketing Management Private Limited 4. Vipul Limited 5. World Resorts Limited 6. Capital Infraprojects Private Limited 7. MRG Hotels Pvt. Limited 8. T.K. International Limited 9. Reliance Capital Limited 10. Future Generali India Life Insurance Company Limited 	<ol style="list-style-type: none"> 1. Capri Global Capital Limited 2. Choice International Limited 3. Saurashtra Cement Limited 4. IDBI Federal Life Insurance Company Limited 5. Gujarat Sidhee Cement Limited 6. Capri Global Housing Finance Private Limited 7. Lloyds Metals and Energy Limited 8. L & T Hydrocarbon Engineering Limited 9. L & T Special Steels and Heavy Forgings Private Limited
Committee position held in other companies	<p>Audit Committee</p> <ol style="list-style-type: none"> 1. Mayfair Hotels and Resorts Limited 2. Reliance Capital Limited 3. IITL Projects Limited 4. Vipul Limited 5. T.K. International Limited <p>Stakeholders Relationship Committee</p> <ol style="list-style-type: none"> 1. Reliance Capital Limited 	<p>Audit Committee</p> <ol style="list-style-type: none"> 1. Capri Global Capital Limited 2. L & T Hydrocarbon Engineering Limited 3. L & T Special Steels and Heavy Forgings Private Limited <p>Stakeholders Relationship Committee</p> <ol style="list-style-type: none"> 1. Capri Global Capital Limited
No. of shares held in the company	NIL	NIL



EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, RELATING TO THE SPECIAL BUSINESS UNDER ITEM NOS. 6 TO 9 OF THE ACCOMPANYING NOTICE DATED AUGUST 04, 2015

Item No.6

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mrs. Bhagyam Ramani as an Additional Director of the Company with effect from March 30, 2015.

In terms of the provisions of Section 161(1) of the Act, Mrs. Bhagyam Ramani would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Bhagyam Ramani for the office of Director of the Company.

Mrs. Bhagyam Ramani is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her 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.

Mrs. Bhagyam Ramani has given a declaration to the Board that she meets the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and she is an independent of the management.

The Nomination & Remuneration Committee at its meeting held on March 30, 2015 has recommended the appointment of Mrs. Bhagyam Ramani as an Independent Woman Director from September 16, 2015 up to the conclusion of 87th Annual General Meeting to be held in the year 2020.

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

The terms and conditions of appointment of Mrs. Bhagyam Ramani as an Independent Director shall be open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

The brief profile of Mrs. Bhagyam Ramani is given hereunder:

Mrs. Bhagyam Ramani, Ex-Director & GM of General Insurance Corporation of India (GIC-Re) is a post graduate in Economics (Hons) from Bombay University with specialization in Industrial & Monetary Economics.

She started her career in General Insurance Corporation of India, a Government of India Undertaking, as a Direct Recruit Officer and worked in various capacities with the company before assuming the office of General Manager in 2005. As a General Manager, she was in charge of finance and accounts department of the corporation. She was elevated to the position of Director on the Board of GIC - Re in 2009, which she held until her retirement in 2012. After retirement, she was invited to join as an independent director on the Board of various listed companies.

Keeping in view her vast experience and knowledge, it will be in the interest of the Company that Mrs. Bhagyam Ramani is appointed as an Independent Director of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

Except Mrs. Bhagyam Ramani, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.6 of the Notice.

Item No.7

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee and subject to the approval of Shareholders and any other approvals as may be required, at its meeting held on August 04, 2015, has unanimously approved reappointment and increase in remuneration payable to Dr. B. Samal as Executive Chairman of the Company for a further period of 3 years w.e.f. January 24, 2016 to January 23, 2019 on the terms and conditions as set out in the resolution.

The following additional information as required by the Companies Act, 2013 is given below:

I. GENERAL INFORMATION

- (1) **Nature of Industry** : Investment Company registered as Non-Banking Finance Company with the Reserve Bank of India.
- (2) **Date or expected date of commencement of commercial production** : Certificate of Commencement of Business dated 10.11.1933.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus** : N.A.
- (4) **Financial performance based on given indicators** : Financial performance of the company during last three years.

Amt. in ₹

Financial Parameters	Year		
	2014-2015	2013-2014	2012-2013
Total Revenue	113,879,789	202,683,584	144,941,398
Net Profit under Section 198 of the Companies Act, 2013	76,081,645	176,809,781	114,329,858
Net Profit after tax as per Statement of Profit and Loss	31,321,458	140,193,851	85,639,804
Amount of Equity	22,543,605	37,135,986	29,703,311
Dividend Declared			
Rate of Dividend %	10.00	17.50	15.00

- (5) **Export performance and net foreign exchange earnings & collaborations** : The company is not engaged in export business. It does not have any foreign collaboration.
- (6) **Foreign investments or collaborations, if any** : None

II. INFORMATION ABOUT THE APPOINTEE :

- (1) **Background details** : Dr. B. Samal is on the Board of the Company since March 2008. His educational qualifications are M.Sc. (Ag.), Ph.D (Economics), Post Graduate Diploma in Bank Management conducted by NIBM, Pune. He has more than 35 years of experience in the areas of Banking – Rural Credit, HRD, Security related Market and Industrial Finance. He has served as Chairman & Managing Director of Allahabad Bank and Industrial Investment Bank of India. He was also a member of Securities Appellate Tribunal (SAT), Ministry of Finance, Government of India, Department of Economic Affairs.

The Company's financial performance and activities have grown steadily under his stewardship.

Dr. B. Samal attained the age of 70 years on March 02, 2013. As per the provisions of Section 196 read with Schedule V - Part I - Clause (c), approval of the Central Government is not required in case the re-appointment and remuneration is approved by the shareholders by a Special Resolution in the General Meeting.

(2) **Past remuneration :**

Year	Salary	Perquisites	Commission	Others (P.F)	Total
2012-2013	21,00,000/-	-	-	2,52,000/-	23,52,000/-
2013-2014	25,00,000/-	5,41,667/-	-	3,00,000/-	33,41,667/-
2014-2015	27,00,000/-	15,00,000/-	-	3,24,000/-	45,24,000/-

(3) **Recognition or Awards :** Seva Ratna awarded by His Excellency Governor of West Bengal.

(4) **Job Profile and his suitability :**

Dr. B. Samal as Executive Chairman looks after the overall management and day-to-day operations of the Company. He plays an active role in business strategy and business development of the Company and its subsidiary / associate companies.

Considering his qualifications, vast experience and deep knowledge of the business in which the company operates and the contribution made by him towards the growth of the Company, the remuneration proposed is justified. Considering education and experience of Dr. B. Samal, his appointment on the Board as Executive Chairman would help the Company for future growth and expansion.

(5) **Remuneration proposed :** As mentioned in the Resolution set out in Item No. 7 of the Notice.

(6) **Comparative remuneration profile :** The remuneration proposed to be paid to him is most reasonable considering the size of the company, the type of industry and his position and profile.

(7) **Pecuniary relationship :** Besides the remuneration being paid to him as the Executive Chairman, he does not have any other pecuniary relationship with the company or any other managerial personnel.

The Board of Directors believe that his re-appointment as Executive Chairman is in the interest of the Company and therefore recommends the Special Resolution for your approval.

The terms set out in the resolution and Statement pursuant to section 102 of the Companies Act, 2013 may be deemed and regarded as memorandum in terms of Section 190 of the Companies Act, 2013.

Except Dr. B. Samal, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice.

Item No. 8

The existing Articles of Association ("Articles") of the Company are based on the Companies Act, 1956 and several regulations in the existing Articles contain reference to the Sections of the Companies Act, 1956. Some regulations in the existing Articles are no longer in conformity with the provisions of the Companies Act, 2013 ("Act").

With the enactment of the Companies Act, 2013, several regulations of the existing Articles of the Company require alteration and/or deletion. Given this position, it is considered expedient to wholly replace the existing Articles by a new set of Articles.

The draft Articles shall be open for inspection by the Members at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 1.00 p.m. upto the date of this Annual General Meeting.

The Board of Directors recommend the Special Resolution set out at Item No.8 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the Resolution mentioned at Item No. 8 of the Notice.

Item No. 9

The revised provisions of Clause 49 of the Listing Agreement, effective from October 1, 2014, require approval of shareholders by way of Special Resolution for material related party transactions. There is no exemption thereunder even if such transaction is in the ordinary course of business of the entity and on arm's length basis. A transaction with a related party shall be considered material under Clause 49 of the Listing Agreement, if the transaction / transactions in a contract to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

The annual consolidated turnover as per the last audited financial statements for the year 2014-15 was ₹ 33.97 Crore.

The transactions entered with the Related Parties, were placed before the Audit Committee. The said transactions were approved and recommended to the Board.

Currently, it cannot be ascertained whether the transactions to be entered in the current financial year 2015-2016 would exceed the threshold of 10% of annual consolidated turnover as per the latest audited financial results. The approval of the Shareholders for the transactions to be entered into and carried out with the Related Parties, from time to time, in the ordinary course of business and at arm's length price, during the Financial year 2015-16, is being sought by way of abundant caution and as a proactive measure.

Further, Clause 49 of the Listing Agreement requires the entities falling under the definition of related party to abstain from voting irrespective of whether the entity is a party to the transaction or not. Accordingly, the Related Parties of the Company who are (or could potentially be considered) as related party, are required to abstain from voting on this resolution of the Notice.

The Board, therefore, recommends the passing of the resolution set out under Item no. 9 as Special Resolution. None of Directors, other than those representing the Related Parties, Key Managerial Personnel and / or their relatives, are interested and / or concerned 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 04, 2015

Registered Office :

14E, Rajabhadur 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 Second Annual Report of the Company, together with the Audited Statements of Accounts for the year ended March 31, 2015.

Financial Performance

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

₹ in Lacs

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
Total Income	1138.80	2026.84	33974.93	21561.10
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	461.46	1702.70	826.54	935.05
Finance Charges	2.44	4.51	57.67	18.92
Depreciation	19.77	8.48	92.76	89.01
Provision for Income Tax (including for earlier years)	126.04	287.77	238.77	586.94
Net Profit/(Loss) After Tax	313.21	1401.94	437.34	240.19
Profit/(Loss) brought forward from previous year	4256.67	3637.70	3109.31	4026.40
Reversal of excess tax on dividend	-	52.56	-	52.56
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax of ₹ 93,615)	1.82	-	14.23	-
Less: Loss for Associate for the year	-	-	168.87	79.39
Less: Profit or (Loss) Attributable to Minority interest	-	-	114.67	(5.96)
Profit/(Loss) carried to Balance Sheet	4568.06	5092.20	3248.88	4245.72
From this, the Directors have transferred to:				
Special Reserve	62.64	280.39	62.64	280.39
General Reserve	-	105.14	-	183.19
Capital Redemption Reserve	-	-	-	150.00
(i) The Directors recommend payment of Dividend at the rate of ₹ 1.75 per equity share (previous year ₹ 1.50 per equity share) on 22,547,550 equity shares (previous year 21,827,550 equity shares) of ₹ 10/- each which will absorb	225.44	371.36	225.44	371.36
(ii) The Directors recommend payment of Dividend at the rate of ₹ 1.00 per CCPS (previous year ₹ 1.00 per CCPS) on 7,20,000 (previous year 1,770,000 CCPS) CCPS of ₹ 10/- each on pro rata basis which will absorb	0.04	13.27	0.04	13.27
Tax on proposed Dividend	45.90	65.37	65.61	138.20
Leaving a balance to be carried forward	4234.04	4256.67	2895.15	3109.31

*previous year figures have been regrouped/rearranged wherever necessary.

Results of operations and state of Company's affairs

The Company has earned pre-tax profit of ₹ 439.25 lakhs during the year as compared to ₹1689.70 lakhs in the previous year. The Revenue from operations during the year was ₹1138.80 lakhs compared to ₹ 2019.04 lakhs in the previous year. The major portion of the Revenue is from interest income earned during the year. Provision of ₹ 130.11 lakhs has been made towards diminution in value of quoted long-term investments of the company as compared to ₹ 72.00 lakhs in the previous year.

Business Overview

The Company is registered with Reserve Bank of India (RBI) as a Non-Deposit taking Non-Banking Financial Company (NBFC). It has now become a 'Systemically Important Non-Deposit taking NBFC' with its total assets being more than ₹ 100 Crores. 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 Companies. The Board of Directors is apprised of the investments of the Company and it monitors the deployment of resources on regular basis.

During the year under review, the Company has pruned its investment portfolio by selling certain quoted scripts where there was no remarkable appreciation or there was considerable erosion in the market values.

The details of the Company's investments, including a portfolio summary and analysis of securities held are given in Note No. 2.8 to the Balance Sheet as on March 31, 2015. The loans to subsidiaries and other entities within the group and interest income on the same are disclosed in Note No. 2.24 to the Balance Sheet as on March 31, 2015.

The market value of the Company's quoted investments, other than subsidiaries, as on March 31, 2015 was ₹ 340.82 lakhs, as compared to its cost of ₹ 1,507.48 lakhs. However, total provision of ₹ 985.74 lakhs made towards permanent diminution in value of investments has been considered adequate in view of investments being long term.

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

The Company has entered into Memorandum of Understanding (MOU) with four proposed buyers (One in the month of May 2015 and the remaining three after the quarter ended June 30, 2015) for the sale of part of Company's investment property situated at Atlanta Building, Nariman Point alongwith two car parking slots, at an aggregate consideration of about ₹ 8.18 Crores (approx.). Upon fulfilling of all the conditions precedent, the Company shall enter into Sale Agreement with the respective buyers.

Dividend

Your Directors are pleased to recommend dividend for the financial year 2014-2015 on



- (i) the Compulsorily Convertible Preference Shares (CCPS) of the face value of ₹ 10/- each on pro-rata basis at the rate of ₹ 1/- (i.e.10%) per CCPS of the Company ; and
- (ii) the Equity Shares of the Company of face value of ₹ 10/- each at the rate of ₹ 1/- (i.e.10%) per Equity Share of the Company (which includes 97,77,550 underlying Equity Shares issued against Global Depository Shares (GDS) and 7,20,000 Equity Shares issued upon conversion of 3rd and final tranche of CCPS on pro-rata basis).

The dividend together with the tax on dividend will absorb a sum of ₹ 271.38 lakhs.

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

In April 2014, the Company has converted the outstanding 7,20,000, 10% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10/- each issued and allotted on preferential basis to the promoters namely N. N. Financial Services Private Limited and Nimbus India Limited into 7,20,000 Equity Shares of ₹ 10/- each. These Equity Shares rank pari passu in all respect with the existing Equity Shares of the Company.

As on March 31, 2015, 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.

Consolidated Accounts

The Consolidated Financial Statement of your Company for the financial year 2014-15, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standard and Listing Agreement as prescribed by the Securities and Exchange Board of India (SEBI). 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.

b. IITL Projects Limited - (IITLPL)

IITLPL is listed on Bombay Stock Exchange and certified as ISO 9001:2008 Company.

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 alongwith SPVs:

- 1) The Hyde Park
- 2) The Golden Palms
- 3) Express Park View-II
- 4) The Golden Palm Village

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

IIT Insurance had filed an application with Insurance Regulatory and Development Authority (IRDA) for voluntarily surrendering the Direct Broker License for Category (Life) in June 2014.

However, subsequently IIT Insurance decided to continue with the business as Direct Broker License for Category (Life) and requested IRDA for withdrawal of the request for surrender of the Direct Broker License for Category (Life). IIT Insurance is awaiting the approval of IRDA.

During the year under review, few non-performing branches were closed and operations of the closed branches were merged with the remaining operating branches. The total number of operational offices at the year end stood at 6.

d. IITL Marketing Management Private Limited (IMMPL) (Formerly known as IIT Media and Entertainment Private Limited (IMEPL))

In November 2014, the name of IIT Media and Entertainment Private Limited was changed to IITL Marketing Management Private Limited alongwith its object clause to carry on business of direct marketing, online marketing, multilevel marketing, network marketing and to provide high quality of services in hospitality, catering, tourism and products to clients and consumers.

IMMPL has yet not commenced any business and is scouting for making investment in some avenues in online marketing and others.



e. IITL Corporate Insurance Services Private Limited (IITL Corporate Insurance)

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).

In view of IIT Insurance Broking and Risk Management Private Limited continuing with the business of Direct Broking (for category Life), it was considered prudent to withdraw the proposal for undertaking Corporate Agency business of FGILICL. Accordingly the Company made an application to FGILICL for withdrawal of the proposal for undertaking Corporate Agency business (Category: Life).

Joint Venture / Associate Companies:

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

The Company has made an investment of ₹ 340 Crores in Future General India Life Insurance Company Limited, a joint venture of the company acquiring 22.5% of its equity capital. The management views this as a long term investment and in positive light, as insurance industry plays a crucial role in growth and development of the overall economy. The other major shareholders are Participatie Maatschappij Graafschap Holland NV and Future Group.

b. World Resorts Limited, an Associate Company:

The Company has made an investment of ₹ 15.52 Crores in World Resorts Limited (WRL), an associate company acquiring 25% of its equity capital and ₹ 25 Crores in Preference Shares Capital of the Company. WRL is into the business of hospitality and owns and operates a Five Star Resort by the name "Golden Palms Hotel & Spa" at Tumkur Road, Bangalore. It also manages and operates hotels under the brand "Golden Palms".

Internal financial controls

The Company has in place adequate financial controls with reference to financial statements. The Internal financial controls commensurate with the size and nature of business of the Company. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

Directors and Key Managerial Personnel

The Board of Directors on the recommendation of the Nomination and Remuneration Committee in its Meeting held on March 30, 2015 had appointed Mrs. Bhagyam Ramani as an Additional Director in the category of Independent Woman Director with effect from March 30, 2015. We seek your confirmation for appointment of Mrs. Bhagyam Ramani as an Independent Director for a term upto five consecutive years with effect from September 16, 2015 up to the 87th Annual General Meeting of the Company to be held in 2020 for the year ended March 31, 2020.

The Company has received Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Act proposing the candidature of Mrs. Bhagyam Ramani for the office of Independent Director of the Company.

Dr. B. Samal was appointed as Executive Chairman of the Company for a period of 3 years w.e.f. January 24, 2013 to January 23, 2016. In accordance with the Articles of Association of the Company, Dr. B. Samal, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Nomination and Remuneration Committee in its meeting held on August 04, 2015 has recommended his appointment for a further period of 3 years w.e.f. January 24, 2016 to January 23, 2019. The Board in its meeting held on even date has granted its approval for the appointment of Dr. B. Samal as Executive Chairman of the Company for a further period of 3 years subject to the approval of the members at the ensuing Annual General Meeting and subject to any other approval as required by Law.

At the Board Meeting held on May 20, 2014, Dr. B. Samal, Executive Chairman, Mrs. Cumi Banerjee, CEO & Company Secretary were designated as "Key Managerial Personnel" of the Company, pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Familiarisation Programme

The Company has formulated a Familiarisation Programme for Independent Directors with an aim to familiarize 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 details of programme for familiarization of Independent Directors with the Company are disclosed on the website of the Company under the web link <http://www.iitlgroup.com/newStatic/AboutUs.aspx>

Meetings of the Board

Six 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:

- In preparation of the annual accounts for the year ended March 31, 2015, 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;
- 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, 2015 and profit of the Company for the year ended on that date;
- 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 practising 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, in terms of Clause 49 of the Listing Agreement together with a Certificate from the Auditors 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 the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

Nomination and Remuneration Policy

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 annexed at the end of the Corporate Governance Report.

Secretarial Audit

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Chandanbala Jain & Associates, Practising Company Secretary (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. The said Report does not contain any adverse observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

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

The details of loans given, investments made, guarantees given and securities provided 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 84.32% above the regulatory minimum of 15%. Your Company's asset size is ₹ 537.18 crores. The Company has received a certificate from the Auditors of the Company, M/s. Deloitte Haskins and Sells, 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 ₹ 7,69,833/- was incurred towards business promotion expenses.

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.

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/AboutUs.aspx>.

As part of CSR initiatives, your Company during the financial year 2014-15 has made its contribution to Prime Minister's National Relief Fund for the Socio Economic Development and Relief and funds for welfare of scheduled caste, scheduled tribes, other backward classes, minorities and women as prescribed under Schedule VII of the Companies Act, 2013.

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

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/AboutUs.aspx>.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has devised the policy for performance evaluation of the Independent Directors, Board, Committees and other individual Directors, which includes criteria for performance evaluation of non-executive directors and executive directors.



The evaluation of all the directors and Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in Corporate Governance Report section in this Annual Report. The Board approved the evaluation results as collated by the nomination and remuneration committee.

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 Annexed as Annexure 1.

Audit

M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No.117365W), who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting of the Company. It is proposed to re-appoint M/s. Deloitte Haskins & Sells, Chartered Accountants, as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.

M/s. Deloitte Haskins & Sells have, under Section 139(1) of the Companies Act, 2013 and the Rules framed thereunder furnished a certificate of their eligibility and consent for reappointment.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification or explanation.

Related Party Transactions

The Company has laid down a Related Party Transaction 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/AboutUs.aspx>.

All Related Party Transactions are placed before the Audit Committee and also the Members/Board for their approval, wherever necessary. During the year there were no new Related Party Transactions as well as no materially significant Related Party Transactions.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

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 Amounts to Investor Education and Protection Fund

In terms of Section 205C of the Companies Act, 1956, a sum of ₹ 6,59,342 lying with the Company as unclaimed dividend for the year 2006 – 2007 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 the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, 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. August 30, 2014), with the Ministry of Corporate Affairs.

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 2014-15 (in ₹)	% increase in Remuneration in the financial year 2014-15	Ratio of remuneration of each Director / to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Dr. B. Samal, Executive Chairman	45,24,000	35%	10.65	Profit before Tax decreased by 74.00% and Profit After Tax decreased by 77.66% in financial year 2014-15
2	Mr. Bipin Agarwal, Non Executive Director	2,30,000 (Sitting fees)	130%	0.54	Not Applicable
3	Mr. P K Rath (LIC), Non Executive Director	2,60,000 (Sitting fees)	No Increase	0.61	Not Applicable
4	Mr. R.S. Loona, Independent Director	6,60,000 (Sitting fees)	50%	1.55	Not Applicable
5	Mr. Venkatesan Narayanan, Independent Director	3,00,000 (Sitting fees)	150%	0.71	Not Applicable
6	Mr. Shubhash Bhargava, Independent Director	4,80,000 (Sitting fees)	140%	1.13	Not Applicable
7	Mrs. Bhagyam Ramani, Independent Director	60,000 (Sitting fees)	Not Applicable	##	Not Applicable
8	Ms. Cumi Banerjee, Chief Executive Officer & Company Secretary	28,71,813	No Increase	Not Applicable	Profit before Tax decreased by 74.00% and Profit After Tax decreased by 77.66% in financial year 2014-15



\$ Mrs. Bhagyam Ramani was appointed as Independent Director by Board w.e.f. 30.03.2015

Details not given since she was a Director only for part of the financial year 2014-15 i.e. w.e.f. 30.03.2015

Note: The remuneration to Directors includes sitting fees paid to them for the financial year 2014-15. The sitting fees were increased from ₹ 20,000 to ₹ 30,000 for attending Board and Committee meetings.

Notes:-

- i) Median remuneration of employees of the Company during the financial year 2014-2015 was ₹ 424,903/-.
- ii) Median remuneration of employees of the Company during the financial year 2013-2014 was ₹ 475,380/-. In the financial year, there was a decrease of 11% in the median remuneration of employees due to resignation tendered by a senior managerial person.
- iii) There were 13 confirmed employees on the rolls of the Company as on March 31, 2015.
- iv) Relationship between average increase in remuneration and company performance- Average Remuneration increased during the year 2014-2015 by 8.54% whereas the Company's PAT decreased by 77.66%.
- v)
 - a) Variation in the market capitalization of the company: The market capitalization as on 31st March 2015 was ₹ 168.66 Crores (₹124.85 Crores as on 31st March 2014)
 - b) Price Earning Ratio of the Company was 53.81 as at 31st March 2015 and was 8.76 as at 31st March 2014.
 - c) Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

The Company had come out with initial public offer (IPO) in 1934. The closing price of the Company's equity shares on the NSE and BSE as of March 31, 2015 was ₹ 72/- and ₹ 80.60 respectively, representing a 620% (NSE) and 706% (BSE) increase over the IPO price, adjusted for stock splits and bonus to date. An amount of ₹ 1,000 invested in the said IPO would be worth ₹ 1.82 lakh as on March 31, 2015 (Ref: BSE Closing Price as on March 31, 2015).
- vi) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 10.36% whereas the increase in the managerial remuneration for the same financial year was 54.29%.
- vii) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

viii) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:- During fiscal year 2014-2015, no employee received remuneration in excess of the highest-paid Director.

ix) 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.

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 of 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 2014-15.

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 04, 2015

Place : Mumbai

Annexure 1
Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015 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 of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	Rajabhadur 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 Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai 400078 Tel: 022-25946970 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	99.77

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	Holding / Subsidiary / associate	% of shares held	Applicable section
1	IITL PROJECTS LIMITED Rajabhadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	L01110MH1994PLC082421	Subsidiary	71.74	2(87)
2	IIT INSURANCE BROKING AND RISK MANAGEMENT PRIVATE LIMITED Rajabhadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	U67190MH2008PTC187076	Subsidiary	100.00	2(87)
3	IIT INVESTRUST LIMITED Rajabhadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	U67190MH1992PLC070247	Subsidiary	99.00	2(87)
4	IITL MARKETING MANAGEMENT PRIVATE LIMITED Rajabhadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	U74999MH2010PTC199226	Subsidiary	100.00	2(87)

5	IITL CORPORATE INSURANCE SERVICES PRIVATE LIMITED Rajabhadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	U66000MH2014PTC252349	Subsidiary	100.00	2(87)
6	WORLD RESORTS LIMITED 31/32, Nagrur, Dasanpura Hobli, Off. Tumkur Road, Bangalore 562123	U85110KA1995PLC017694	Associate	22.50	2(6)

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	0.23	50000	0	50000	0.22	-0.01
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.	8551387	0	8551387	39.18	9271387	0	9271387	41.12	1.94
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)	8601387	0	8601387	39.41	9321387	0	9321387	41.34	1.93
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)	8601387	0	8601387	39.41	9321387	0	9321387	41.34	1.93
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/F1	34200	34950	69150	0.32	34200	34950	69150	0.31	-0.01
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	37200	37200	0.17	0	37200	37200	0.16	-0.01
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	1243061	250	1243311	5.70	1243061	250	1243311	5.51	-0.18
g) Flls	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):-	1277261	72400	1349661	6.18	1277261	72400	1349661	5.99	-0.20
Sub-Total (B)(1):-									
2. Non- Institutions									
a) Bodies Corp									
i) Indian	528262	13550	541812	2.48	513880	13550	527430	2.34	-0.14
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	611819	573551	1185370	5.43	642618	554951	1197569	5.31	-0.12
ii) individual Shareholders holding nominal capital in excess of Rs 1 lakh	131054	104000	235054	1.08	124508	104000	228508	1.01	-0.06
c) Others (specify)									
Non Resident Indians (Repat)	6409	1000	7409	0.03	4021	1000	5021	0.02	-0.01
Non Resident Indians (Non Repat)	13996	62000	75996	0.35	9430	62000	71430	0.32	-0.03
Clearing Member	7811	0	7811	0.04	21227	0	21227	0.09	0.06
Trusts	4000	41500	45500	0.21	6267	41500	47767	0.21	0.00
Sub-total (B)(2):-	1303351	795601	2098952	9.62	1321951	777001	2098952	9.31	-0.31
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2580612	868001	3448613	15.80	2599212	849401	3448613	15.29	-0.50
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	44.79	9777550	0	9777550	43.36	-1.43
Sub-total C:-	9777550	0	9777550	44.79	9777550	0	9777550	43.36	-1.43
Grand Total (A+B+C)	20959549	868001	21827550	100.00	21698149	849401	22547550	100.00	0.00

* On April 03, 2014, 7,20,000 Compulsorily Convertible Preference Shares (CCPS) were converted into Equity Shares. In view of the same, the paid-up Equity Share Capital increased to an extent of 7,20,000 Equity Shares.

(ii) Shareholding of Promoters

Sl No.	Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year*			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	N N Financial Services Pvt Ltd	6637960	30.42	0.00	7087960	31.44	0.00	1.02
2	Nimbus India Ltd	1913427	8.77	0.00	2183427	9.68	0.00	0.92
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	6637960	30.41	6637960	30.41
	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):	*450000	1.03	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	1913427	8.77	1913427	8.77
	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):	*270000	0.91	2183427	9.68
	At the End of the year	2183427	9.68	2183427	9.68
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

* On April 03, 2014, 7,20,000 Cumpulsorily Convertible Preference Shares (CCPS) were converted into Equity Shares.

(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	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	For Each of the Top 10 Shareholders				
1	Life Insurance Corporation of India				
	At the beginning of the year	1225017	5.61	1225017	5.61
	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.	1225017	5.43
	At the End of the year (or on the date of separation, if separated during the year)	1225017	5.43	1225017	5.43

2	Jardine Infrastrutture and Developers Ltd.				
	At the beginning of the year	120161	0.55	120161	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.	120161	0.53
	At the End of the year (or on the date of separation, if separated during the year)	120161	0.53	120161	0.53
3	Pushpak Trading and Consultancy Pvt. Ltd.				
	At the beginning of the year	98900	0.45	98900	0.45
	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.	98900	0.44
	At the End of the year (or on the date of separation, if separated during the year)	98900	0.44	98900	0.44
4	Mokha Vyapaar Pvt. Ltd				
	At the beginning of the year	74845	0.34	74845	0.34
	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.	74845	0.33
	At the End of the year (or on the date of separation, if separated during the year)	74845	0.33	74845	0.33
5	Nippy Trading Private Limited				
	At the beginning of the year	69581	0.32	69581	0.32
	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
6	V. K. Finvest Private Limited #				
	At the beginning of the year	68502	0.31	68502	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):	-68502 (Transferred on 21.11.2014)	-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
7	Brothers Trading Private Limited				
	At the beginning of the year	46969	0.22	46969	0.22
	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.	46969	0.21
	At the End of the year (or on the date of separation, if separated during the year)	46969	0.21	46969	0.21
8	Official Trustee Bombay				
	At the beginning of the year	30000	0.14	30000	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.	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	Nadir H Karanjia #				
	At the beginning of the year	27742	0.13	27742	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.):	-2250 (Transferred on 04.04.2014)	-0.01	25492	0.11
		-4351 (Transferred on 16.05.2014)	-0.02	21141	0.09
		-5551 (Transferred on 23.05.2014)	-0.02	15590	0.07
		-1325 (Transferred on 06.06.2014)	-0.01	14265	0.06
		-201 (Transferred on 13.06.2014)	0.00	14064	0.06
		-2000 (Transferred on 20.06.2014)	-0.01	12064	0.05
		-8446 (Transferred on 30.06.2014)	-0.04	3618	0.02
		-2000 (Transferred on 18.07.2014)	-0.01	1618	0.01
		-931 (Transferred on 25.07.2014)	0.00	687	0.00
		-687 (Transferred on 01.08.2014)	0.00	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
10	Rustom Nusserwanji Cooper				
	At the beginning of the year	24000	0.11	24000	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.	24000	0.11
	At the End of the year (or on the date of separation, if separated during the year)	24000	0.11	24000	0.11

11	The Governor of Madhya Pradesh*				
	At the beginning of the year	23000	0.11	23000	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.	23000	0.10
	At the End of the year (or on the date of separation, if separated during the year)	23000	0.10	23000	0.10
12	Bank of India*				
	At the beginning of the year	22290	0.10	22290	0.10
	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.	22290	0.10
	At the End of the year (or on the date of separation, if separated during the year)	22290	0.10	22290	0.10

* Not in the list of Top 10 shareholders as on 01.04.2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2015.

Ceased to be in the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2014.

(v) **Shareholding of Directors and Key Managerial Personnel:**

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
DIRECTORS:					
1	Bipin Agarwal				
	At the beginning of the year	25000	0.00	25000	0.00
	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	0.00
	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 Promoters 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	R. S. Loona				
	At the beginning of the year	0	0.00	0	0.00
	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.	0	0.00
	At the End of the year	0	0.00	0	0.00

4	Venkatesan Narayanan				
	At the beginning of the year	0	0.00	0	0.00
	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.	0	0.00
	At the End of the year	0	0.00	0	0.00
5	Subhash Bhargava				
	At the beginning of the year	0	0.00	0	0.00
	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.	0	0.00
	At the End of the year	0	0.00	0	0.00
6	P. K. Rath				
	At the beginning of the year	0	0.00	0	0.00
	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.	0	0.00
	At the End of the year	0	0.00	0	0.00
7	Bhagyam Ramani				
	At the beginning of the year	0	0.00	0	0.00
	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.	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 Promoters 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

Secured Loans excluding deposits	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	2294867	NIL	NIL	2294867
* Reduction	413407	NIL	NIL	413407

Net Change	1881460	NIL	NIL	1881460
Indebtedness at the end of the financial year				
i) Principal Amount	1881460	NIL	NIL	1881460
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	1881460	NIL	NIL	1881460

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole -time Directors and /or Manger:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager
1	Gross salary	
	a) Salary as per provisions contained in section 17(1) of Income-tax Act, 1961	3024000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1500000
	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)	4524000
	Ceiling as per the Act	Minimum 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:

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Bipin Agarwal	R.S. Loona	Venkatesan Narayanan	Subhash Bhargava	P. K. Rath	Bhagyam Ramani	
1	Independent Directors							
	Fee for attending board committee meetings	--	660000	300000	480000	--	60000	1500000
	Commission	--	--	--	--	--	--	--
	Others, please specify	--	--	--	--	--	--	--
	Total (1)	--	660000	300000	480000	--	60000	1500000
2	Other Non-Executive Directors							
	Fee for attending board committee meetings	230000	--	--	--	260000	--	490000
	Commission	--	--	--	--	--	--	--
	Others, please specify	--	--	--	--	--	--	--
	Total (2)	230000	--	--	--	260000	--	490000
	Total (B)=(1+2)	230000	660000	300000	480000	260000	60000	1990000
	Total Managerial Remuneration	(A+B)						6514000
	Overall Ceiling as per the Act	Ceiling on Sitting Fees as prescribed under the Act is ₹ 1,00,000/- per meeting						

C. Remuneration to Key Managerial Personnel Other Than MD/Manager /WTD

SI No.	Particulars of Remuneration		
		CEO & Company Secretary (Cumi Banerjee)	CFO
1	Gross Salary		- *
	a) Salary as per provisions contained in Section 17(1) of the Income -Tax Act, 1961	2,871,813	
	b) Value of perquisites u/s 17(2) Income -tax Act, 1961	NIL	
	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 others, specify	NIL	
5	Others, please specify	NIL	
	Total	2,871,813	

* The Company is in the process of appointing CFO

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			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

Annexure 2

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

Part "A": Subsidiaries

Name of the subsidiary	IITL Projects Limited	IIT Investrust Ltd	IIT Insurance Broking and Risk Management Pvt. Ltd	IITL Marketing Management Pvt. Ltd	IITL Corporate Insurance Services Pvt. Ltd
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2015
2. 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	Nil
3. Share capital	120,079,000	125,000,000	25,000,000	1,500,000	2,500,000
4. Reserves & surplus	68,564,292	46,795,489	38,238,576	(1,545,804)	(871,889)
5. Total assets	647,844,864	173,179,665	114,783,377	15,474	1,739,229
6. Total Liabilities	459,201,572	1,384,176	51,544,801	61,278	111,118
7. Investments	476,449,512	122,655,365	-	-	-
8. Turnover	223,314,818	4,325,471	19,744,224	-	134,982
9. Profit before taxation	51,273,305	(1,116,987)	(18,001,877)	(92,982)	(871,889)
10. Provision for taxation	5,910,104	(190,621)	654,437	-	-
11. Profit after taxation	45,363,201	(926,366)	(18,656,314)	(92,982)	(871,889)
12. Proposed Dividend	-	-	-	-	-
13. % of shareholding	71.74%	99%	100%	100%	100%

The following information shall be furnished:-

- Names of subsidiaries which are yet to commence operations** – IITL Marketing Management Pvt. Ltd and IITL Corporate Insurance Services Pvt. Ltd
- Names of subsidiaries which have been liquidated or sold during the year.** Nil

Part "B": Associates and Joint Ventures

Name of Associates/Joint Ventures	World Resorts Limited	Future Generali India Life Insurance Company Limited
Latest audited Balance Sheet Date	March 31, 2015	March 31, 2015
Shares of Associate/Joint Ventures held by the company on the year end	March 31, 2015	March 31, 2015
No.	Equity – 13,018,125	Equity - 326,700,000
Amount of Investment in Associates/Joint Venture	155,181,250	3,400,000,000
Extent of Holding %	25%	22.5%
3. Description of how there is significant influence	By way of Share Capital (Associate Company)	By way of Share Capital (Joint Venture)
4. Reason why the associate/joint venture is not consolidated	N.A.	N.A.
6. Networth attributable to Shareholding as per latest audited Balance Sheet	161,631,122	559,265,156
7. Profit / Loss for the year	(16,887,204)	2,223,225
i. Considered in Consolidation		
ii. Not Considered in Consolidation		

The following information shall be furnished:-

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

Dr. B. Samal
Chairman

Bipin Agarwal
Director

Cumi Banerjee
CEO & Company Secretary

Annexure 3

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 - 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 - 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) Date(s) of approval by the Board, if any:
 - (f) 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 04, 2015
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/AboutUs.aspx>

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 : ₹ 10,30,18,342/-

4. Prescribed CSR expenditure (2% of amount) : ₹ 20,60,367/-

5. Details of CSR activities/projects undertaken during the year:

a) total amount to be spent for the financial year : ₹ 20,60,367/-

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 <u>Sub-heads:</u> 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.	Activities like Socio Economic development and relief and funds for welfare of scheduled caste, scheduled tribes, other backward classes, minorities and women covered under the Prime Minister's National Relief Fund	Sectors under Prime Minister's National Relief Fund	Development of Socio economic activity in any part of the Country.	₹ 21.00	₹ 21.00	₹ 21.00	Contribution made to Prime Minister's National Relief Fund by cheque

6. 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

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To,
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) (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 my 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, 2015 ("the reporting 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 financial year ended on March 31, 2015 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; (No compliance required to be done by the company during the reporting 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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009; (Not applicable to the company during the reporting period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the company during the reporting period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the reporting 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the company during the reporting period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the reporting period)
- (vi) Other laws applicable specifically to the company namely:
 - (i) 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. (Not notified hence not applicable to the company during the reporting period).
- (ii) The Listing Agreements entered into by the company with Bombay Stock Exchange and National Stock Exchange of India Limited.

We report that, during the year under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The company is in the process to appoint a Chief Financial Officer.

We further report, that the compliance by the company of applicable financial laws, like direct and indirect tax laws, has 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 year 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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, Employees' State Insurance Act, 1948 and The Payment of Gratuity Act, 1972.

We further report that the company has carried out certain major activities during the reporting period:

1. Allotment of 7,20,000 Equity Shares upon conversion of 7,20,000, 10% Compulsory Convertible Preference Shares (CCPS); and
2. The members of the company granted its approval for Increase in Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013 up to an aggregate amount not exceeding ₹ 7,50,00,00,000/- (Rupees Seven Fifty Crores Only).

For Chandanbala Jain and Associates

Chandanbala O. Mehta
Practising Company Secretaries

FCS: 6122
C.P.No.: 6400

Place: Mumbai

Date: August 04, 2015

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 me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my 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. Where ever 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

Chandanbala O. Mehta
Practising Company Secretaries

FCS: 6122
C.P.No.: 6400

Place: Mumbai

Date: August 04, 2015

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For Chandanbala Jain and Associates

Chandanbala O. Mehta
Practising Company Secretaries

FCS: 6122
C.P.No.: 6400

Place: Mumbai

Date: August 04, 2015

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For Chandanbala Jain and Associates

Chandanbala O. Mehta
Practising Company Secretaries

FCS: 6122
C.P.No.: 6400

Place: Mumbai

Date: August 04, 2015



The Company believes that diversification is a form of growth strategy. By diversifying into different lines of business, the Company can sustain and achieve the path of growth leading to a long term viability of the Company.

The Company through its subsidiaries viz. IITL Projects Limited (IITLPL) is in the business of real estate (the details of the projects undertaken by IITLPL is provided in the Directors' Report), IIT Investtrust Limited is in the business of stock broking, IIT Insurance Broking and Risk Management Private Limited (IIT Insurance) is in the business of Direct Insurance Broking.

In January 2014, the Company had incorporated a wholly owned subsidiary namely IITL Corporate Insurance Services Private Limited (IITL Corporate Insurance) for undertaking the business of corporate agency (for category Life) of Future Generali India Life Insurance Company Limited (FGILICL) and IIT Insurance had filed an application with Insurance Regulatory and Development Authority (IRDA) for voluntarily surrendering the Direct Broker License for Category (Life) in June 2014.

However, subsequently IIT Insurance decided to continue with the business as Direct Broker License for Category (Life) and requested IRDA for withdrawal of the request for surrender of the Direct Broker License for Category (Life). IIT Insurance is awaiting the approval of IRDA.

In view of IIT Insurance continuing with the business of Direct Broking (for category Life), it was considered prudent to withdraw the proposal for undertaking Corporate Agency business of FGILICL. Accordingly the Company made an application to FGILICL for withdrawal of the proposal for undertaking Corporate Agency business (Category: Life).

The Company had incorporated IIT Media and Entertainment Private Limited to undertake the business of media and entertainment. However, in November 2014, the name of IIT Media and Entertainment Private Limited was changed to IITL Marketing Management Private Limited (IMMPL) alongwith its object clause to carry on business of online marketing. IMMPL has not commenced any business and is scouting for avenues for online marketing.

The Company has made an investment of ₹ 340 Crore in Future General India Life Insurance Company Limited, a joint venture of the company acquiring 22.5 percent of its equity capital. The management views this as a long term investment and in positive light, as insurance industry plays a crucial role in growth and development of the overall economy.

The Company has made an investment of ₹ 15.51 Crore in World Resorts Limited (WRL), an associate company acquiring 25 percent of its equity capital and ₹ 25 Crores in Preference Shares Capital of the Company. WRL is into the business of hospitality and owns and operates a Five Star Resort by the name "Golden Palms Hotel & Spa" at Tumkur Road, Bangalore.

OPPORTUNITIES, THREATS, 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, geo-political risk or

uncertain economic conditions. Due to these risks there may be lot of gyrations in the stock markets, on the investments of the Company. 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 subsidiaries of the company also manages their business risks by following proper risk management policies to avoid any adverse impact on the holding company. 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 Committee submits its recommendations and comments for Board's review and necessary action.

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 business of the Company.

FINANCIAL PERFORMANCE:

The Company has earned a profit after tax of ₹ 313.21 lakhs during the year compared to profit of ₹ 1401.94 lakhs in the previous year. The Revenue from operations during the year is ₹ 1138.80 lakhs compared to ₹ 2019.04 lakhs in the previous year. The major portion of the Revenue is from interest income earned during the year. Provision of ₹ 130.11 lakhs has been made towards diminution in value of quoted long-term investments of the company as compared to ₹ 72 lakhs in the previous year. Segment wise performance is provided in Consolidated Financial Statements.

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, 2015, the total number of employees including subsidiaries was 71.

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 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 FOR 2015-16:

The macroeconomic environment is expected to improve in 2015-16. The year comes with multiple challenges which are about efficiently funding of increasing investments in infrastructure, reversing the decline in manufacturing, maintaining the fiscal balance. The most crucial external risk factor arises from the slower recovery of global economy. During the current year, there would be an increase in Government spend on the infrastructure sector, which may bring cascading benefits.

The current scenario comprises mild inflation, low crude oil prices, manageable current account balance, with the rupee being stable and a rise in foreign exchange reserves. These factors are likely to aid the GDP growth in the year 2015-16. Global commodity prices have been declining and are expected to remain weak in

2015 owing to low international demand and comfortable supply. Food inflation is well within the limits.

The Finance Minister, while presenting the Budget for 2015-16 in the Lok Sabha mentioned "Growth in 2015-16 is expected to be between 8-8.5 percent. Aiming for a double digit rate seems feasible very soon". The Economic Survey has said that growth will receive a boost from the cumulative impact of reforms, lower oil prices, likely monetary policy easing facilitated by lower inflation, and forecasts of a normal monsoon in 2015-16.

In the beginning of the current fiscal there were predictions of a poor monsoon which would dampen the growth. However the monsoon has been quite normal and has allayed the fears.

Overall there is a renewed sense of hope among the Indian business community and optimism about the growth prospects among the international community.

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 04, 2015



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.

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#
1	Dr. B. Samal	NI / E Executive Chairman	7	3	3
2	Mr. Bipin Agarwal	NI / NE Promoter	7	2	1
3	Mr. R.S. Loona	I / NE	4	3	1
4	Mr. Venkatesan Narayanan	I / NE	3	4	Nil
5	Mr. Subhash C. Bhargava	I / NE	9	6	Nil
6	Mr. P.K. Rath	NI / NE Representative of LIC of India	Nil	Nil	Nil
7.	Mrs. Bhagyam Ramani (appointed w.e.f. March 30, 2015)	I / NE	7	3	Nil

NI - Non Independent Director

I - Independent Director

NE - Non-Executive Director

E - Executive Director

* Excludes alternate directorships and directorships in foreign companies and private companies and Companies u/s.8 of the Companies Act, 2013.

Excludes Committees other than Audit Committee, Stakeholders Relationship Committee of Public Limited Companies.

Independent Directors

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet with requirement of Clause 49 of the Listing Agreement

entered into with the Stock Exchanges. As required by the Companies Act, 2013 and the Listing Agreement, a formal letter of appointment has been issued to the Independent Directors. The terms and conditions of appointment have been disclosed on the website of the Company viz. www.iitlgroup.com.

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 2014-2015, 6 Board Meetings were held i.e., on April 03, 2014, May 20, 2014, July 25, 2014, November 08, 2014, February 04, 2015 and March 30, 2015.

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	6	Yes
Mr. Bipin Agarwal	4	Yes
Mr. R.S. Loona	5	Yes
Mr. Venkatesan Narayanan	6	Yes
Mr. P.K. Rath	3	No
Mr. Subhash C. Bhargava	6	Yes
Mrs. Bhagyam Ramani#	1	Not Applicable

#Appointed w.e.f. March 30, 2015

3. FAMILIARISATION PROGRAMME

The Company has formulated a Familiarisation Programme for Independent Directors with an aim to familiarize 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 shall conduct periodical meetings and make presentations to familiarize Independent Directors with the strategy, operations and functions of the Company.

The details of 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 Clause 49 of the Listing Agreement, the Board of Directors of the Company have adopted a Code of Conduct for all Board members and Senior Management of the Company. 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 website www.iitlgroup.com.

Code of Conduct for Prohibition of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992. The Code is amended from time to time reflecting the changes brought in by SEBI in the Insider Trading Regulations. The Code is applicable to Promoters and Promoter group, all Directors and such Designated Employees who are expected to have access to the Unpublished Price Sensitive Information relating to the Company. The Company Secretary is a Compliance Officer for monitoring adherence to the said Regulations.

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 January 28, 2013. 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 Clause 49 of the Listing Agreement.

During the year under review, four meetings of the Audit Committee were held, the dates being May 20, 2014, July 25, 2014, November 08, 2014 and February 04, 2015.

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. Subhash C. Bhargava	Chairman	4
Mr. R.S. Loona	Member	4
Mr. P.K. Rath	Member	2

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 Chairman of Audit Committee was present at the Annual General Meeting held on August 30, 2014.

The representatives of Statutory Auditors are permanent invitees to the Audit Committee Meetings. They have attended all the Audit Committee meetings 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 auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's 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. Qualifications 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:

In line with the Companies Act, 2013 / Clause 49 of the Listing Agreement requirements, the nomenclature of Remuneration Committee has been changed to Nomination and Remuneration Committee. The Committee was last reconstituted on May 20, 2014.

During the year under review, two meetings of the Nomination and Remuneration Committee were held on July 25, 2014 and March 30, 2015.

The composition and attendance of members as on March 31, 2015 is as follows:

Nomination and Remuneration Committee Members	Status	No. of Nomination and Remuneration Committee Meetings Attended
Mr. Subhash C. Bhargava*	Chairman	2
Mr. R.S. Loona	Member	2
Mr. P.K. Rath	Member	1

* Appointed as Chairman w.e.f. May 20, 2014.

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 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.

The Nomination and Remuneration Policy is annexed at

the end of this Report.

Details of remuneration paid to the Executive Chairman for the year 2014-2015 are given below:

Name	Salary	Perquisites	Contribution to P.F and other funds	Total
	₹	₹	₹	₹
Dr. B. Samal	2,700,000/-	1,500,000/-	324,000/-	4,524,000/-

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 2014-2015 are given below:

Sitting Fees

Name	Board Meetings	Committee Meetings	Total
	₹	₹	₹
Mr. Bipin Agarwal	110,000/-	120,000/-	230,000/-
Mr. R.S. Loona	140,000/-	520,000/-	660,000/-
Mr. Venkatesan Narayanan	160,000/-	140,000/-	300,000/-
Mr. P.K. Rath	80,000/-	180,000/-	260,000/-
Mr. Subhash Bhargava	160,000/-	320,000/-	480,000/-
Mrs. Bhagyam Ramani	30,000/-	30,000/-	60,000/-
Total	680,000/-	1,310,000/-	1,990,000/-

The Board in its meeting held on July 25, 2014, has accorded its approval for increase in payment of sitting fees from ₹20,000/- to ₹30,000/- for attending each Meeting of the Board and Committees, by the Non-Executive Directors of the Company w.e.f. July 25, 2014.

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, 2015.

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

c) Stakeholders Relationship Committee (SRC)

The Board had constituted Share Transfer & Shareholders'/Investors' Grievance Committee on January 16, 2002. The Committee was last re-constituted on January 28, 2013.

In line with the Companies Act, 2013 / Clause 49 of the Listing Agreement requirements, the nomenclature of Share Transfer & Shareholders'/Investors' Grievance Committee has been changed to Stakeholders Relationship Committee (SRC).

The Committee as on March 31, 2015 comprises of 3 members, namely:

Mr. R.S. Loona	- Non Executive Director - Chairman
Dr. B. Samal	- Member
Mr. P.K. Rath	- Member

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 redressing of complaints received from shareholders, relating to transfer of shares, non-receipt of balance sheets, dividends etc.

To expedite share transfer process, the Board has authorised the CEO & Company Secretary of the Company to approve share transfer / transmissions up to one thousand shares. Share transfers for more than one thousand shares are approved by the SRC. During the year, 7 meetings were held. 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	17
- No. of Shareholders complaints resolved	17
- No. of complaints not resolved to the satisfaction of the shareholders	Nil
- Pending complaints as on 31.03.2015	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 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 02, 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 as on March 31, 2015 consisted of 4 members, namely:

Mr. Subhash C. Bhargava	- Chairman
Dr. B. Samal	- Member
Mr. Bipin Agarwal	- Member
Mr. R.S. Loona	- Member

During the year under review, four meetings of Committee for Investments / Loans and Risk Management were held on October 16, 2014, November 07, 2014, February 04, 2015 and March 30, 2015.

e) 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.

During the year under review, the Asset Liability Management Committee met thrice on May 19, 2014, December 10, 2014 and March 25, 2015.

f) 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.

The Committee as on March 31, 2015 comprises of 3 Directors out of which one Director is an Independent Director:

Dr. B. Samal	-	Chairman
Mr. Bipin Agarwal	-	Member
Mr. Venkatesan Narayanan	-	Member

During the year under review, one meeting of Corporate Social Responsibility Committee was held on November 07, 2014.

The Company has formulated CSR Policy, which is uploaded on the Website of the Company (Weblink; <http://iitlgroup.com/newStatic/AboutUs.aspx>).

5. 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 clause 49(VIII) (D) of the Listing Agreement.

b) Separate Meeting of Independent Directors

During the year under review, the Independent Directors met on March 30, 2015, 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) 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. The criteria for performance evaluation of the Independent Directors are as follows:

- Attendance and participations in the Meetings and timely inputs on the minutes of the meetings
- Adherence to ethical standards & code of conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest
- 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
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information

d) Subsidiary Companies

Under Clause 49 of the Listing Agreement, an Independent Director of the Company is required to be appointed as Director on the Board of the material unlisted Indian subsidiaries.

The following Independent Directors have been appointed as an Additional Director/ Director on the Board of the unlisted subsidiary company:

1. Mr. Venkatesan Narayanan - IIT Insurance Broking and Risk Management Private Limited (non-material unlisted subsidiary) w.e.f. February 04, 2015;
2. Mr. R.S. Loona has been appointed as Director of IITL Marketing Management Private Limited (non-material unlisted subsidiary) w.e.f. January 27, 2010;
3. Mr. Venkatesan Narayanan - IITL Corporate Insurance Services Private Limited (non-material unlisted subsidiary) w.e.f. January 31, 2014; and
4. Mr. Venkatesan Narayanan - IIT Investtrust Limited (non-material unlisted subsidiary) w.e.f. May 13, 2013.

The Audit Committee of the Company reviews the financial statements, including the investments made, of its unlisted subsidiaries.

The Minutes of the meetings of the Board of Directors

of the unlisted subsidiary companies are regularly placed before the Board of Directors of the Company. A statement containing the significant transactions and arrangements entered into by the unlisted subsidiaries are periodically placed before the Board of Directors of the Company.

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/AboutUs.aspx>).

e) Disclosures – Related Party transactions

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

As required under Clause 49 of the Listing Agreement, the Company had formulated the policy on dealing with Related Party Transactions. The policy is available on the website of the Company. (Weblink: <http://www.iitlgroup.com/newStatic/AboutUs.aspx>).

f) Vigil Mechanism/ Whistle Blower Policy

As required by Companies Act, 2013 and Clause 49 of the Listing Agreement, 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 and Directors 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 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/AboutUs.aspx> and circulated to all the Directors and employees.

g) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

h) 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.

i) CEO / CFO Certification

In terms of the requirements of Clause 49 (IX) of the Listing Agreement, the Executive Chairman, Dr. B. Samal

and CEO & Company Secretary, Ms. Cumi Banerjee have submitted necessary certificate to the Board of Directors stating the particulars specified under the said clause.

This certificate has been reviewed and taken on record by the Board of Directors at its meeting held on May 30, 2015.

The Company is in the process of appointing Chief Financial Officer.

j) Non-mandatory requirements

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

i) Audit Qualifications

The Company continues to remain in the regime of unqualified financial statements and submits Form A for Unqualified Auditors Report along with its Annual Report 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.

6. GENERAL BODY MEETINGS

Location and time where last three AGMs were held:

Sr. No.	Date	Location	Time	Special Resolution passed
1.	August 30, 2014	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	2.30 p.m.	1) Approval for Limit of Borrowings under Section 180(1)(c) of the Companies Act, 2013 2) Approval for Related Party Transactions under Section 188 of the Companies Act, 2013
2.	September 07, 2013	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	3.30 p.m.	Re-appointment of Dr. B. Samal as Executive Chairman and Increase in Remuneration
3.	September 20, 2012	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	3.30 p.m.	1) Alteration of Articles of Association of the Company 2) Raising of Funds through Issue of 10% Compulsorily Convertible Preference Shares of the Company on Preferential basis

No resolution has been approved by way of Postal Ballot, nor the Company proposed any resolution which required approval by way of Postal Ballot.

7. OTHER DISCLOSURES:

- a) There were no materially significant transactions with the related parties during the year, which had or could have potential conflict with the interests of the Company at large. Transactions with the related parties are disclosed in Note 2.24 of the Financial Statements in the Annual Report.
- 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) There are no inter-se relationships between Directors of the Company.

8. MEANS OF COMMUNICATIONS

- a) Quarterly and Annual financial results of the Company are forwarded to the 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 investors or to any analysts during the year.
- c) Management Discussion and Analysis Report forms part of the Directors' Report.
- d) The Company has launched its website 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.

9. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date & Time : Wednesday, September 16, 2015 at 2:30 p.m.
 Venue : M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001.

b) Financial Calendar : 2015-2016

Adoption of Quarterly Results for

<u>Quarter ending</u>	<u>In the month of (Tentative)</u>
June 2015	: On or before August 14, 2015
September 2015	: On or before November 14, 2015
December 2015	: On or before February 14, 2016
March 2016 (Audited annual results)	: On or before May 30, 2016

c) Dividend Payment Date : On or before October 16, 2015

d) Book Closure period : September 09, 2015 to September 16, 2015

e) Listing on Stock Exchange : BSE Limited (BSE), Dalal Street, Mumbai 400001
 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, 2016.

f) Stock Code at BSE : 501295

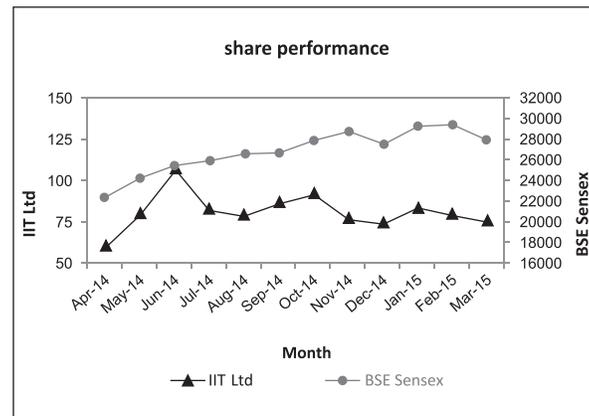
NSE Stock Symbol : IITL

g) Stock price data at the BSE and NSE

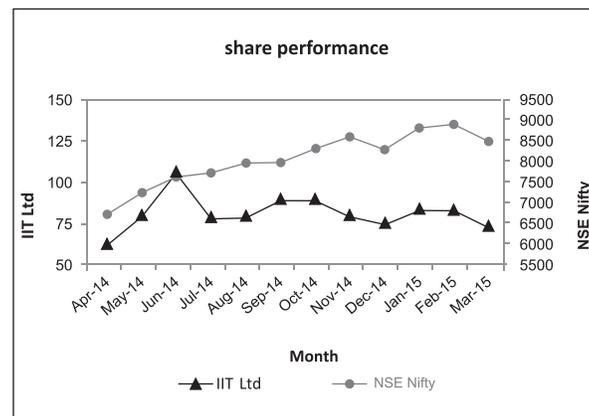
Month	BSE			NSE		
	High (₹)	Low (₹)	Close (₹)	High (₹)	Low (₹)	Close (₹)
April, 2014	65.65	57.85	60.00	67.95	57.50	61.65
May, 2014	79.80	54.85	79.30	79.80	54.20	78.70
June, 2014	106.40	74.00	106.40	105.55	71.65	105.55
July, 2014	117.25	79.65	81.95	118.70	77.00	77.00
August, 2014	87.00	75.00	78.85	87.00	76.05	78.00
September, 2014	98.70	76.60	86.05	98.00	76.55	88.95
October, 2014	94.50	82.15	91.85	93.00	80.25	88.00
November, 2014	88.00	70.00	76.65	88.00	70.00	78.60
December, 2014	79.45	70.00	73.00	80.00	68.05	73.50
January, 2015	95.00	71.40	83.55	97.85	71.25	82.30
February, 2015	89.50	77.05	79.00	90.80	75.10	82.50
March, 2015	84.00	65.00	74.80	86.00	62.70	72.00

h) Graph

Share Price / BSE (Monthly Closing)



Share Price / NSE (Monthly Closing)



i) Registrar and Transfer Agents

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai 400 078.
Tel. No.: 022 2596 3838

j) 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 30 days from the date of receipt, provided that the relevant documents are complete in all respects.

k) Distribution of shareholding as on March 31, 2015

Grouping of Shares	No. of Share-holders	% of total share-holders	No. of Shares per Category	% of total shares
1 – 500	1604	73.61	276,682	1.23
501 – 1000	227	10.42	198,823	0.88
1001 – 2000	149	6.84	234,101	1.04
2001 – 3000	75	3.44	194,326	0.86
3001 – 4000	20	0.92	72,029	0.32
4001 – 5000	35	1.61	171,373	0.76
5001 – 10000	33	1.51	239,162	1.06
10001–22547550	36	1.65	21,161,054	93.85
TOTAL	2179	100.00	22,547,550	100.00

Shareholding pattern as on March 31, 2015

Category	No. of Shareholders	No. of shares held	% of shareholding
Promoters	6	9,321,387	41.34
Foreign Company	-	-	-
Non Resident (Individual & Companies)	35	76,451	0.34
Foreign Institutional Investors	-	-	-
Insurance Companies	3	1,243,311	5.51
Financial Institutions / Banks	16	69,150	0.31
Mutual Funds	-	-	-
Central Government / State Government(s)	2	37,200	0.17
Resident Individuals	2,022	1,426,077	6.33
Clearing Member	16	21,227	0.09
Trusts	7	47,767	0.21
Other bodies corporate	71	527,430	2.34
Shares held by custodians and against which Depository Receipts have been issued	1	9,777,550	43.36
TOTAL	2,179	22,547,550	100.00

l) Dematerialisation

The Company has entered into agreements with National Security Depository Limited and Central Depository Services Limited for the dematerialisation of shares. As on March 31, 2015, a total of 21,698,149 shares, which

forms 96.23% of the share capital of the Company stands dematerialized and 849,401 shares which forms 3.77% of the share capital are in physical form.

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

(a) On June 15, 2012, the Company had issued 4,888,775 Global Depository 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, 2015, the total outstanding GDRs stood at 4,888,775.

(b) The Company has converted the balance 720,000, 10% Compulsorily Convertible Preference Shares (CCPS) of ₹10/- each issued and allotted on preferential basis to the promoters on April 3, 2014, namely N. N. Financial Services Private Limited and Nimbus India Limited. The Equity Shares issued and allotted as above are listed on BSE Limited and The National Stock Exchange of India Limited and have been admitted to dealings on both the Stock Exchanges.

n) Plant Location

The Company does not have a manufacturing plant.

o) 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-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West), Mumbai 400 078.
Tel. No.: 022 2596 3838

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

Auditors' Certificate on Corporate Governance

The Auditors' Certificate on compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Directors' 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.

On behalf of the Board of Directors

Dr. B. Samal
Chairman
(DIN: 00007256)

Place : Mumbai
Date: August 04, 2015

Annexure

Nomination and Remuneration Policy

The Board of Directors of Industrial Investment Trust Limited (“the Company”) constituted the “Nomination and Remuneration Committee” at the Meeting held on July 25, 2014, consisting of three (3) Non-Executive Directors of which majority are Independent Directors.

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.

The Key Objectives of the Committee would be:

- 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.

2. DEFINITIONS

- i) Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii) Board means Board of Directors of the Company.
- iii) Directors mean Directors of the Company.
- iv) Key Managerial Personnel means
 - Chief Executive Officer or the Managing Director or the Manager;
 - Whole-time director;
 - Chief Financial Officer;
 - Company Secretary; and
 - Such other officer as may be prescribed.
- v) Senior Management means, personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- A) Policy for appointment and removal of Director, KMP and Senior Management

Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term / Tenure

- a) **Managing Director/Whole-time Director:**
 The Company shall appoint or reappoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director:**
 - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board’s report.
 - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- Any tenure of an Independent Director on the date of commencement of Companies Act, 2013 i.e. April 01, 2014 shall not be counted for his appointment / holding office of Director under the Act.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel once a year.

Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

B) Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

General:

- a) The remuneration / commission to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / commission shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration / commission to be paid to the Whole-time Director shall be in accordance with the Articles of Association of the Company and as per the provisions of the Act.

- c) Increments to the existing remuneration structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

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

Remuneration to Non- Executive / Independent

Director:

a) Remuneration:

The remuneration payable shall be fixed as mentioned in the Articles of Association of the Company and the Act.

b) Sitting Fees:

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 Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

If at any time the Company desires to pay Commission, it may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

4. MEMBERSHIP

- The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- Minimum two (2) members shall constitute a quorum for the Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

- Chairperson of the Committee shall be an Independent Director.
- Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. DUTIES OF THE COMMITTEE

The duties of the Committee in relation to nomination matters include:

- To ensure that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- To ensure that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identify and recommend Directors who are to be put forward for retirement by rotation.
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company.
- to consider any other matters as may be requested by the Board.
- Professional indemnity and liability insurance for Directors and senior management.

11. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

AUDITORS' CERTIFICATE

TO THE MEMBERS OF INDUSTRIAL INVESTMENT TRUST LIMITED

We have examined the compliance of conditions of Corporate Governance by **INDUSTRIAL INVESTMENT TRUST LIMITED**, for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements except for the compliance relating to CFO certification to the Board, as the Company is in the process of appointing a Chief Financial Officer.

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.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)

Uday M. Neogi
Partner
(Membership No. 30235)

MUMBAI, 4th August, 2015

CERTIFICATE (UNDER CLAUSE 49 (IX) OF THE LISTING AGREEMENT)

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 pertaining to financial reporting 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 over financial reporting 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
Chairman CEO & Company Secretary

Place : Mumbai
Date : May 30, 2015

INDUSTRIAL INVESTMENT TRUST LIMITED

STANDALONE FINANCIAL STATEMENTS

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

Report on the Standalone Financial Statements

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

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

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the

purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Emphasis of Matters

We draw attention to Note 2.29 of the financial statements. As stated in the Note the net worth of Future Generali India Life Insurance Company Limited ("FGILICL"), a Joint Venture of the Company, as at 31st March 2015 has substantially eroded. However, the Management of the Company is of the view, for the reasons stated in the Note, that there is no diminution other than temporary in the value of investment of the Company in FGILICL as at 31st March, 2015.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The matter related to investment of the Company in a Joint Venture described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 financial statements - Refer Note 2.19(i)(a) to the 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 DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 117365W)

Uday M. Neogi
Partner
Membership No. 30235

MUMBAI, 30th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Industrial Investment Trust Limited on the standalone financial statements for the year ended 31st March 2015)

- (i) Having regard to the nature of the Company's business/ activities/results during the year, clauses (ii), (v), (vi) and (viii) of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (iii) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register maintained under Section 189 of the Act, according to the information and explanations given to us:
- (a) The receipts of the principal amounts and interest have been as per stipulations.
- (b) There is no overdue amount in excess of Rs. 1 lakh remaining outstanding as at the year-end.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and for the sale of services. The company does not purchase inventory nor does it sell goods in the ordinary course of business. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-Tax, Wealth Tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There have been no dues payable in respect of Sales Tax, Duty of Customs, Duty of Excise and Value Added Tax during the year on account of their non-applicability to the Company.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Wealth Tax, Service Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise and Cess which have not been deposited as on 31st March, 2015 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹)
The Income-tax Act, 1961	Income tax	Income-tax Appellate Tribunal	A.Y.1995-96	5,733,647
The Income-tax Act, 1961	Income tax	Income-tax Appellate Tribunal	A.Y. 1996-97	1,004,643
The Income-tax Act, 1961	Income tax	Commissioner of Income-tax (Appeals)	A.Y. 2008-09	490,257
The Wealth tax Act, 1957	Wealth tax	High Court, Mumbai	A.Y. 1997-98	3,250,246

- (d) In our opinion and according to the information and explanations given to us, the amount required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder has been transferred to such fund within time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution.
- (vii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks are not, prima facie, prejudicial to the interests of the Company.
- (viii) In our opinion and according to the information and explanations given to us, the term loan was applied for the purpose for which the loan was obtained.
- (ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No.117365W)

Uday M. Neogi
Partner
(Membership No.30235)

MUMBAI, 30th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	225,475,500	225,475,500
Reserves and surplus	2.2	5,104,825,326	5,100,823,452
		5,330,300,826	5,326,298,952
Non-current liabilities			
Long-term borrowings	2.3	1,131,395	-
		1,131,395	-
Current liabilities			
Trade payables	2.4	4,193,374	1,425,686
Other current liabilities	2.5	5,579,960	4,588,502
Short-term provisions	2.6	30,617,889	48,159,014
		40,391,223	54,173,202
TOTAL		5,371,823,444	5,380,472,154
ASSETS			
Non-current assets			
Fixed assets - Tangible	2.7	6,523,761	5,237,224
Non-current investments	2.8	4,490,059,776	4,536,367,798
Deferred tax assets (net)	2.9	687,816	1,712,144
Long-term loans and advances	2.10	26,017,076	24,416,845
		4,523,288,429	4,567,734,011
Current assets			
Cash and cash equivalents	2.11	67,784,922	118,523,519
Short-term loans and advances	2.12	755,229,967	690,948,207
Other current assets	2.13	25,520,126	3,266,417
		848,535,015	812,738,143
TOTAL		5,371,823,444	5,380,472,154

See accompanying notes (1 and 2.1 to 2.32) forming part of the financial statements

In terms of our report attached.
For **DELOITTE HASKINS & SELLS**
Chartered Accountants

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman

BIPIN AGARWAL
Director

UDAY M. NEOGI
Partner

CUMI BANERJEE
CEO & Company Secretary

Mumbai: 30th May, 2015

Mumbai: 30th May, 2015

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

Particulars	Note No.	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Revenue from operations	2.14	113,879,789	201,904,551
Other income	2.15	-	779,033
Total Revenue		113,879,789	202,683,584
Employee benefits expense	2.16	10,426,358	10,711,087
Finance Cost	2.17	243,619	450,540
Depreciation expense			
- on investment property		8,953	9,517
- on fixed assets - tangible	2.7	1,968,127	838,745
Other expenses	2.18	25,275,182	13,588,297
Provision for diminution in value of long-term investments (net)		13,010,749	7,200,000
Net loss on sale of long term investments		18,798,400	-
Net loss on sale of current investments		-	794,994
Contingent provision against standard assets		223,000	120,000
Total expenses		69,954,388	33,713,181
Profit before tax		43,925,401	168,970,403
Tax expense:			
(a) Current tax		27,670,000	49,300,000
(b) Less: MAT Credit		(16,184,000)	(18,200,000)
(c) Net current tax expense		11,486,000	31,100,000
(d) Deferred tax		1,117,943	(2,323,448)
		12,603,943	28,776,552
Profit for the year		31,321,458	140,193,851
Earnings per share:	2.23		
Basic		1.39	6.53
Diluted		1.39	6.22
Nominal Value per equity share (₹)		10.00	10.00

See accompanying notes (1 and 2.1 to 2.32) forming part of the financial statements

In terms of our report attached.
For **DELOITTE HASKINS & SELLS**
Chartered Accountants

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman

BIPIN AGARWAL
Director

UDAY M. NEOGI
Partner

CUMI BANERJEE
CEO & Company Secretary

Mumbai: 30th May, 2015

Mumbai: 30th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	43,925,401	168,970,403
Adjustments for:		
Depreciation on fixed assets - tangible	1,968,127	838,745
Depreciation on investment property	8,953	9,517
Interest income	(113,619,579)	(142,851,849)
Loss on Fixed Assets written off	-	18,940
Liabilities no longer required written back	-	(774,993)
Finance costs	243,619	450,540
Provision for compensated absences	97,849	249,997
Provision for diminution in value of long-term investments (net)	13,010,749	7,200,000
Contingent provision against standard assets	223,000	120,000
Loss on sale of long-term investments (net)	18,798,400	-
Loss on sale of current investments (net)	-	794,994
Write down on reclassification of investment	-	48,837
Operating (loss) / profit before working capital changes	(35,343,481)	35,075,132
<u>Changes in working capital</u>		
Adjustments for (increase) / decrease in operating assets:		
Short-term loans and advances	1,087,967	(684,107)
Long-term loans and advances	4,136,535	3,944,297
Dividend Account balance with banks	(68,982)	(145,270)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	2,767,688	336,212
Other current liabilities	172,412	(14,843,095)
Other adjustments :		
Bank balances not considered as cash and cash equivalents		
- Placed	(210,638,671)	(6,936,008,642)
- Matured	248,715,953	7,507,822,321
Purchase of long-term investments:		
- Subsidiaries	(2,500,000)	-
- Joint ventures [See Note 2.29]	-	(900,000,000)
Proceeds from sale of long-term investments:		
- Others	16,989,920	-
Purchase of current investments:	-	(35,000,000)
Proceeds from sale of current investments	-	307,296,763
Loans given:		
- Subsidiaries	(54,500,000)	(50,000,000)
- Associates	(65,000,000)	(385,000,000)
Loans realised:		
- Subsidiaries	-	50,000,000

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)**

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
- Associates	54,130,273	227,500,000
- Others	-	100,000,000
Interest received:		
- Subsidiaries	11,988,725	17,297,752
- Associates	70,671,497	62,694,720
- Others	8,705,648	70,861,289
Cash flow from operations	51,315,484	61,147,372
Net income tax paid	(17,346,862)	(32,299,727)
Net cash flow from operating activities (A)	33,968,622	28,847,645
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(3,530,082)	(357,391)
Net cash used in investing activities (B)	(3,530,082)	(357,391)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	1,881,460	-
Finance costs	(119,524)	-
Dividend and Tax on Dividend paid	(44,930,773)	(30,781,766)
Net cash used in financing activities (C)	(43,168,837)	(30,781,766)
Net decrease in Cash and cash equivalents (A+B+C)	(12,730,297)	(2,291,512)
Cash and cash equivalents at the beginning of the year	14,789,996	17,081,508
Cash and cash equivalents at the end of the year (See Note 2.11)	2,059,699	14,789,996

Note:

- 1 Investment is the principal business activity of the Company and therefore the cash flow relating to it is included under operating activities.
- 2 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements.
- 3 Previous year figures have been regrouped wherever necessary.

In terms of our report attached.
For **DELOITTE HASKINS & SELLS**
Chartered Accountants

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman

BIPIN AGARWAL
Director

UDAY M. NEOGI
Partner

CUMI BANERJEE
CEO & Company Secretary

Mumbai: 30th May, 2015

Mumbai: 30th May, 2015

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 accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. The Company follows the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

Assets and liabilities are classified as current if it is expected to realise or settle within 12 months after Balance Sheet date.

(B) Use of estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(C) Revenue Recognition:

- (a) Interest on all lending such as inter corporate deposits and finance against securities are accounted on time proportionate basis.
- (b) Rental income is accrued on the basis of the agreement.
- (c) Dividend income is accounted for when the right to receive it is established.
- (d) 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.

(D) Fixed Assets:

Fixed assets are carried at cost less accumulated depreciation. Cost comprises of the purchase price and any other attributable expenditure of bringing the asset to its working condition for its intended use.

(E) Depreciation:

- (a) Depreciation on tangible fixed assets has been provided on the written down value basis as per the useful life prescribed in Schedule II to the 2013 Act.
- (b) Depreciation on additions to fixed assets is provided for the full period irrespective of the date of addition. No depreciation is provided on deletions to fixed assets in the year of sale.

(F) Investments:

Long Term Investments (excluding investment property) are valued at cost unless there is a diminution in value, other than temporary for which provision is made.

Current Investments are stated at lower of cost and fair value.

Investment properties are carried individually at cost less accumulated depreciation. Investment properties are capitalised and depreciated in accordance with the policy stated for Fixed Assets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

1.2 Significant Accounting Policies (contd.)

(G) Taxation:

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

(H) Provisions and contingencies:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

(I) Operating Lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(J) Employee benefits:

(a) Short term employee benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the period in which the related service is rendered.

(b) Long term employee benefits:

1. Defined Contribution Plan:

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company makes monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to Employees Provident Fund Organisation. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligation beyond making the contribution. The Company's contributions to Defined Contribution Plans are charged to Statement of Profit and Loss as incurred.

2. Defined Benefit Plans:

i. Gratuity

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

1.2 Significant Accounting Policies (contd.)

the Projected Unit Credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

ii. Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The Employees are entitled to accumulate leave subject to certain limits for future encashment/availment. The Company makes provision for compensated absences based on an actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

(K) 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.

(L) Share issue expenses:

Share issue expenses are adjusted against Securities Premium Account in terms of Section 52 of the 2013 Act, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in Securities Premium Account is expensed in the Statement of Profit and Loss.

(M) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

(N) Cash and cash equivalents (for purposes of Cash Flow Statement)

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), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(O) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
2.1 Share Capital

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Authorised		
30,000,000 (previous year 30,000,000) Equity shares of ₹ 10 each	300,000,000	300,000,000
5,000,000 (previous year 5,000,000) Preference shares of ₹ 10 each.	50,000,000	50,000,000
Issued, subscribed and fully paid-up:		
22,547,550 (previous year 21,827,550) Equity shares of ₹ 10 each	225,475,500	218,275,500
[Included above are 9,777,550 (Previous year: 9,777,550) equity shares] represented by 4,888,775 (Previous year: 4,888,775) Global Depository Shares "GDS"		
Nil (previous year 720,000) 10% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each fully paid-up	-	7,200,000
Total	225,475,500	225,475,500

(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 31st March, 2015		As at 31st March 2014	
	No. of shares	₹	No. of shares	₹
Opening Balance	21,827,550	218,275,500	20,777,550	207,775,500
Add:- Conversion of CCPS to equity shares	720,000	7,200,000	1,050,000	10,500,000
Closing balance	22,547,550	225,475,500	21,827,550	218,275,500

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 share premium of ₹ 3,279,831,225). The GDSs are listed on Luxembourg Stock Exchange.

10% Compulsorily Convertible Preference Shares	As at 31st March 2015		As at 31st March 2014	
	No. of shares	₹	No. of shares	₹
Opening Balance	720,000	7,200,000	1,770,000	17,700,000
Less:- Conversion of CCPS to equity shares	720,000	7,200,000	1,050,000	10,500,000
Closing balance	-	-	720,000	7,200,000

During the year 2012-13, the Company had allotted 2,770,000 10% Compulsorily Convertible Preference Shares of ₹ 10 each on a preferential basis to companies in the promoter group at a price of ₹ 350/- per share. The closing balance of 720,000 CCPS as on 31st March 2014 was converted to equity shares on 3rd April 2014.

(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.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all claims/liabilities and preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

(c) Rights, preferences and restrictions attached to preference shares

The Preference Shares shall rank, for capital and dividend (including all dividends undeclared upto the commencement of winding up) and for repayment of capital in a winding up pari pasu inter se and in priority to the Equity Shares of the Company, but shall not confer any further or other right to participate either in profits or assets.

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

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N. N. Financial Services Private Limited	7,087,960	31.44	6,637,960	30.42
Nimbus India Limited	2,183,427	9.68	1,913,427	8.77
Life Insurance Corporation of India	1,225,017	5.43	1,225,017	5.61
The Bank of New York Mellon (Depository for GDS holders) *	9,777,550	43.36	9,777,550	44.79

* The Company does not have the details of the individual holders.

(e) Preference shares held by each shareholder holding more than 5% Preference shares in the Company are as follows:

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N. N. Financial Services Private Limited	-	-	450,000	62.50
Nimbus India Limited	-	-	270,000	37.50

(f) 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.

(g) Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000

(i) Regarding issue of preference shares:

Particulars	During the year ended	
	31st March, 2015	31st March, 2014
	₹	₹
Unutilised monies as on April 1, 2014	7,918,029	277,918,029
Purpose for which the money received has been utilized :		
a. Loans given to entities under significant influence	7,918,029	250,000,000
b. Loans given to an associate, World Resort Limited	-	20,000,000
	7,918,029	270,000,000
Unutilised monies	-	7,918,029
Unutilised money as on March 31, 2014 is invested in Fixed Deposit.		

(ii) Regarding issue of Global Depository Shares:

Particulars	During the year ended	
	31st March, 2015	31st March, 2014
	₹	₹
Unutilised monies as on April 1, 2014	-	594,044,940
Purpose for which the money received has been utilized :		
a. Amount paid to Pantaloon Retail India Ltd. (now known as Future Retail Ltd.) for acquiring their equity stake of 22.5% in Future Generali India Life Insurance Company Ltd. (See note no. 2.29)	-	594,044,940
	-	-
Unutilised monies	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.2 Reserves and surplus

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Capital Reserve		
Balance as per last Balance Sheet	750	750
Securities Premium Account		
Balance as per last Balance Sheet	4,186,487,469	4,186,487,469
General Reserve		
Opening balance	185,542,587	175,028,048
Add : Transfer from Surplus in the Statement of Profit and Loss	-	10,514,539
Closing balance	185,542,587	185,542,587
Special Reserve (as per the RBI regulations)		
Opening balance	303,125,731	275,086,961
Add: Transfer from Surplus in the Statement of Profit and Loss	6,264,292	28,038,770
Closing balance	309,390,023	303,125,731
Surplus in Statement of Profit and Loss		
Opening balance	425,666,915	363,770,077
Add: Profit for the period	31,321,458	140,193,851
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax of ₹ 93,615) (See note 2.30)	181,804	-
Add: Reversal of excess tax on dividend	-	5,256,050*
Less: Dividend proposed to be distributed to equity shareholders (₹ 1.00 per share, previous year ₹ 1.75 per share)	22,543,605	37,135,986
Less: Dividend proposed to be distributed to CCPS shareholders (₹ 1.00 per share, previous year ₹ 1.00 per share)	3,945	1,326,986
Less: Tax on dividend	4,590,230	6,536,782
Transferred to:		
- General Reserve	-	10,514,539
- Special Reserve	6,264,292	28,038,770
Closing balance	423,404,497	425,666,915
Total	5,104,825,326	5,100,823,452

* Reversal of excess tax on dividend on account of dividend received from a subsidiary company on which dividend tax is paid by it under section 115-O of the Income Tax Act, 1961 during the financial year 2013-2014.

2.3 Long term borrowings

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Term Loans :		
Vehicle loan from Financial Institution: Secured	1,881,460	-
Less: Current maturities of long-term debt (See Note 2.5)	750,065	-
Total	1,131,395	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
Notes :

Details of terms of repayment and security provided:

Particulars	Terms of Repayment	Security Provided
Kotak Mahindra Prime Limited	35 Equated Monthly Installments (EMI) each of ₹ 76,133; Number of Installments outstanding as at 31st March, 2015: 28 (As at 31st March 2014: Nil)	Secured by hypothecation of the vehicle purchased from the loan.

2.4 Trade payables

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Trade payables:		
Other than Acceptances	4,193,374	1,425,686
Total	4,193,374	1,425,686

There are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). The identification of vendors as a "Supplier" under the Act has been done on the basis of the information to the extent provided by the vendors to the Company. This has been relied upon by the auditors.

2.5 Other current liabilities

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Current maturities of long-term debt (See Note 2.3)	750,065	-
Unclaimed dividends *	4,198,433	4,129,452
Other payables:		
Statutory remittances (Contributions to PF, Service Tax, etc.)	601,432	379,010
Advances from subsidiaries	-	80,040
Others	30,030	-
Total	5,579,960	4,588,502

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

2.6 Short term provisions

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Provision for employee benefits:		
Compensated absences	1,516,610	1,418,761
Provison - Others:		
Income tax [net of advance tax ₹ 25,744,501 (previous year ₹ 25,744,501)]	25,499	25,499
Contingent Provision against Standard Assets	1,938,000	1,715,000
Proposed equity dividend	22,543,605	37,135,986
Proposed preference dividend	3,945	1,326,986
Tax on proposed dividend	4,590,230	6,536,782
Total	30,617,889	48,159,014

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
2.7 Fixed assets - Tangible

ASSETS Owned	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 1st April, 2014	Additions	Disposals / Adjustments	As at 31st March, 2015	As at 1st April, 2014	For the year	Transition adjustment recorded against Surplus balance in Statement of Profit and Loss (see note 2.30)	On disposals	As at 31st March, 2015	As at 31st March, 2014
Buildings	9,100,000 (9,100,000)	- (-)	- (-)	9,100,000 (9,100,000)	5,837,779 (5,666,083)	156,762 (171,696)		-	5,994,541 (5,837,779)	3,262,221 (3,433,917)
Furniture and fixtures	186,057 (161,626)	113,062 (24,431)	-	299,119 (186,057)	123,028 (109,097)	51,601 (13,931)		-	174,629 (123,028)	63,029 (52,529)
Vehicles	2,564,325 (2,564,325)	3,306,732	-	5,871,057 (2,564,325)	1,385,840 (974,140)	1,429,477 (411,700)		-	2,815,317 (1,385,840)	1,178,485 (1,590,185)
Office equipment	1,196,682 (1,160,832)	110,288 (57,850)	(22,000)	1,306,970 (1,196,682)	706,521 (630,383)	169,655 (79,198)	255,260	(3,060)	1,131,436 (706,521)	490,160 (530,449)
Computers	578,712 (303,602)	- (275,110)	(-)	578,712 (578,712)	335,383 (173,163)	160,632 (162,220)	20,159	-	516,174 (335,383)	243,329 (130,439)
Total	13,625,776 (13,290,385)	3,530,082 (357,391)	- (22,000)	17,155,858 (13,625,776)	8,388,551 (7,552,866)	1,968,127 (838,745)	275,419	- (3,060)	10,632,097 (8,388,551)	5,237,224 (5,737,519)

Figures Stated in brackets wptertain to the previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
2.8 Non-current investments

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(I) Trade Investments-(valued at cost) [See Note 2.8 (a)]			
(A) Investment in Equity Instruments (fully paid-up):			
- of subsidiaries			
- quoted		136,123,073	136,123,073
- unquoted		146,410,000	143,910,000
		<u>282,533,073</u>	<u>280,033,073</u>
- of associate, unquoted		155,181,250	155,181,250
- of joint venture, unquoted [See Note 2.29]		3,400,000,000	3,400,000,000
Total (A)		<u>3,837,714,323</u>	<u>3,835,214,323</u>
(B) Investment in Preference Shares (fully paid-up) [See Note 2.8 (a)]			
- of subsidiary			
12% Non-Convertible Cumulative Redeemable Preference shares, unquoted		350,000,000	350,000,000
- of associate			
10% Cumulative Redeemable Preference shares, unquoted		250,000,000	250,000,000
Total (B)		<u>600,000,000</u>	<u>600,000,000</u>
Total - Trade (A)+(B)		<u><u>4,437,714,323</u></u>	<u><u>4,435,214,323</u></u>
(II) Other investments			
Investment in Equity Instruments (fully paid-up):			
- of other entities, quoted [See Note 2.8 (a)]	150,747,842		186,536,162
Less: Provision for diminution in the value of investments	(98,574,275)		(85,563,526)
		<u>52,173,567</u>	<u>100,972,636</u>
Investment property (valued at cost less accumulated depreciation)			
Immovable property (cost)	1,069,071		1,069,071
Less: Accumulated depreciation	(897,185)		(888,232)
		<u>171,886</u>	<u>180,839</u>
Total Other Investments		<u><u>52,345,453</u></u>	<u><u>101,153,475</u></u>
Total		<u><u>4,490,059,776</u></u>	<u><u>4,536,367,798</u></u>
Aggregate amount of quoted investments (net of provision)		188,296,640	237,095,709
Aggregate market value of quoted investments		106,196,275	95,540,486
Aggregate amount of unquoted investments		4,301,591,250	4,299,091,250
Investment property		171,886	180,839

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.8 (a) Details of Non-current investments

Name of the Company	Face Value per Share ₹	As at 31st March, 2015		As at 31st March, 2014	
		Holding Nos.	Book Value ₹	Holding Nos.	Book Value ₹
(I) Trade Investments					
(A) Investment in Equity Instruments:					
- of subsidiaries					
- quoted					
IITL Projects Limited	10	3,580,347	136,123,073	3,580,347	136,123,073
- unquoted					
IIT Investrust Limited	10	12,375,000	117,410,000	12,375,000	117,410,000
IIT Insurance Broking and Risk Management Private Limited	10	2,500,000	25,000,000	2,500,000	25,000,000
IITL Corporate Insurance Service Limited	10	250,000	2,500,000	-	-
IITL Marketing Management Private Limited *	10	150,000	1,500,000	150,000	1,500,000
(*formerly IIT Media and Entertainment Private Limited upto 19th November 2014)			146,410,000		143,910,000
Sub-total			282,533,073		280,033,073
- of associate, unquoted					
World Resorts Limited	10	13,018,125	155,181,250	13,018,125	155,181,250
- of joint venture, unquoted [See Note 2.29]					
Future Generali India Life Insurance Company Limited	10	326,700,000	3,400,000,000	326,700,000	3,400,000,000
Total (A)			3,837,714,323		3,835,214,323
(B) Investment in Preference Shares:					
- of subsidiary, unquoted					
IITL Projects Limited	10	7,000,000	350,000,000	7,000,000	350,000,000
- of associate, unquoted					
World Resorts Limited	10	5,000,000	250,000,000	5,000,000	250,000,000
Total (B)			600,000,000		600,000,000
Total - Trade (A)+(B)			4,437,714,323		4,435,214,323
(II) Other investments					
Investment in Equity Instruments					
- of other entities, quoted					
Ansal Properties and Infrastructure Limited	5	4,500	1,937,062	10,000	4,305,646
DLF Limited	2	3,500	1,545,633	10,000	4,416,095
Empee Distilleries Limited	10	-	-	2,500	952,940
GMR Infrastructure Limited	1	6,900	574,051	19,900	1,655,595
HBL Power Systems Limited	1	2,950	133,554	9,450	427,825
India Cements Limited	10	5,895	969,998	14,895	2,450,912
Jaiprakash Associates Limited	2	1,000	173,724	7,500	1,302,927
Jaiprakash Power Venture Limited	10	14,000	1,307,193	30,000	2,801,128
Jet Airways (India) Limited	10	-	-	2,000	2,006,929
J .K. Cement Limited	10	-	-	8,700	1,943,994
Mercator lines Limited	1	-	-	6,080	904,607
NHPC Limited	10	45,000	1,541,307	100,000	3,425,126

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.8 (a) Details of Non-current investments (contd.)

Name of the Company	Face Value per Share ₹	As at 31st March, 2015		As at 31st March, 2014	
		Holding Nos.	Book Value ₹	Holding Nos.	Book Value ₹
Patel Engineering Limited	1	-	-	4,500	4,588,256
Reliance Capital Limited	10	9,995	14,851,359	9,995	14,851,359
Reliance Communications Limited	5	175,000	45,671,012	175,000	45,671,012
Reliance Industries Limited	10	4,912	10,037,676	4,912	10,037,676
Reliance Media Works Limited	5	10,000	3,668,331	10,000	3,668,331
Reliance Broadcast Network Limited	5	10,000	1,794,343	10,000	1,794,343
Reliance Power Limited	10	100,000	21,886,285	100,000	21,886,285
SQL Star International Limited	10	547,677	22,685,544	547,677	22,685,544
Unitech Limited	2	368,825	21,970,770	558,825	33,289,000
United Breweries (Holdings) Limited	10	-	-	893	806,572
Wockhardt Limited	5	-	-	800	338,137
Tata Steel Limited	10	-	-	1,200	325,923
Total			150,747,842		186,536,162

2.9 Deferred tax assets

Nature of timing difference	Deferred tax assets / (liabilities) As at 31st March, 2014	Charge / (credit) for the current year	Deferred tax assets / (liabilities) As at 31st March, 2015
	₹	₹	₹
Deferred tax liabilities:			
Depreciation	(882,571)	(428,189)	(454,382)
Deferred tax assets:			
Disallowances under Section 43B of the Income Tax Act, 1961	482,237	(19,200)	501,437
Provision for doubtful loans	1,529,550	1,529,550	-
Contingent Provision against Standard Assets	582,929	(57,833)	640,761
Net Amount	1,712,144	1,024,328	687,816

2.10 Long-term loans and advances (considered good, unless otherwise stated)

Particulars	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
Unsecured:		
Security deposits	4,296,512	8,377,936
Debit balance in gratuity fund	421,410	476,521
Advance payment of income tax [net of provisions ₹ 81,704,000 (As at 31st March, 2014 ₹ 102,152,000)]	21,299,154	15,562,388
Loans to others (considered doubtful)	-	4,500,000
Less: Provision for doubtful loans	-	(4,500,000)
Total	26,017,076	24,416,845

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.11 Cash and cash equivalents

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Cash and cash equivalents (As per AS 3 Cash Flow Statements)		
Cash on hand	17,660	31,192
Cheques on hand	-	-
Balances with banks		
- In current accounts	1,804,496	3,258,804
- In deposit accounts with original maturity upto 3 months	-	11,500,000
- Others (Balance in foreign currency travellers cards)	237,543	-
	2,059,699	14,789,996
Other Bank Balances:		
- In deposit accounts with original maturity of more than 3 months	61,526,790	99,604,072
- In earmarked accounts - unpaid dividend accounts	4,198,433	4,129,451
	65,725,223	103,733,523
Total	67,784,922	118,523,519

2.12 Short-term loans and advances (unsecured, considered good)

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Loans and advances to related parties [See Note 2.24]		
<u>Standard Assets -</u>		
Loan to a subsidiary	154,500,000	100,000,000
Loans to entities under significant influence	565,869,727	565,000,000
Loan to an associate	30,000,000	20,000,000
Advances to subsidiaries	263,446	58,915
	750,633,173	685,058,915
Other loans and advances		
Security deposits	4,106,424	4,106,424
Prepaid expenses	490,370	329,521
Advances to vendors	-	1,453,347
Total	4,596,794	5,889,292
	755,229,967	690,948,207

2.13 Other current assets (Unsecured, considered good)

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Interest accrued but not due		
- bank deposits	614,686	2,611,756
Interest accrued and due (Standard Assets)		
- loans	24,905,440	654,661
Total	25,520,126	3,266,417



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.14 Revenue from operations

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Interest [See Note 2.14 (a)]	113,619,579	142,851,849
Other financial services [See Note 2.14 (b)]	260,210	43,464,617
Other operating income [See Note 2.14 (c)]	-	15,588,085
Total	113,879,789	201,904,551

2.14 (a) Interest

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Interest:		
- On deposits with banks	6,708,578	56,669,381
- On loans	106,911,001	86,182,468
Total	113,619,579	142,851,849

2.14 (b) Other financial services

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Dividend income on long-term investments:		
- From a subsidiary	-	37,500,000
- From others	260,210	365,976
Dividend income on current investments	-	5,598,642
Total	260,210	43,464,617

2.14 (c) Other operating income

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Rent on immovable property	-	15,588,085
Total	-	15,588,085

2.15 Other income

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Liability no longer required written back	-	774,993
Others	-	4,040
Total	-	779,033

2.16 Employee benefits expense

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Salaries and bonus	9,175,605	9,518,766
Contribution to provident and other funds [See Note 2.22]	881,991	852,487
Staff welfare expenses	368,762	339,834
Total	10,426,358	10,711,087



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.17 Finance cost

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Interest on borrowings (Vehicle loan)	119,524	-
Interest on Income Tax	124,095	450,540
Total	243,619	450,540

2.18 Other expenses

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Power and fuel (net of recovery ₹ 426,736; previous year ₹ 511,533)	1,203,666	1,016,601
Rent including lease rentals (net of recovery ₹ 840,000 ; previous year ₹ 1,000,000) [See Note 2.25]	2,942,700	1,824,367
Repairs and Maintenance:		
-Buildings (net of recovery ₹ 840,000 ; previous year ₹ 1,000,000)	3,083,937	1,315,000
-Others	774,066	941,434
	3,858,003	2,256,434
Insurance	45,674	33,432
Rates and taxes	406,884	-
Communication expenses (net of recovery ₹ 18,102 ; previous year ₹ 23,492)	324,605	265,919
Travelling and conveyance	2,775,079	1,080,272
Printing and stationery	227,185	221,310
Business promotion	1,147,224	357,697
Legal and Professional Fees	3,650,240	1,298,322
Payment to auditors [See Note 2.18 (a) below]	1,825,850	1,505,624
Loan Written Off	4,500,000	-
Less: Provision held	(4,500,000)	-
	-	-
Loss on Fixed Assets written off	-	18,940
CSR Expenses	2,100,000	-
Directors' fees	2,235,964	1,438,208
Membership fees	898,157	569,928
Security Transaction charges	17,043	-
Write down on reclassification of investment (net)	-	48,837
Miscellaneous expenditure	1,616,908	1,652,406
Total	25,275,182	13,588,297

2.18 (a) Payments to the auditors

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
To statutory auditors		
For Audit	575,000	350,000
For other services	1,050,000	990,000
Service tax	200,850	165,624
Total	1,825,850	1,505,624

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.19 Contingent liabilities and commitments not provided for

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(i) Contingent liabilities:		
(a) Claims against the Company not acknowledged as debt		
- Disputed income-tax matters in appeal	13,101,449	13,101,449
- Disputed wealth-tax matter in appeal	3,250,246	3,250,246
- Disputed property tax levied by Mumbai Municipal Corporation based on enhanced ratable value for the period 1st April 2007 to 31st March 2010 in respect of the Company's Investment Property; the Co-operative Society of the Investment Property is acting as an intervener in a petition with the Supreme Court on the matter. The said disputed property tax is recoverable from the ex-Licensee as per the Leave and License Agreements entered into between them and the Company. In respect of above items, outflow of resources would depend upon the outcome of the appeal/petition.	24,869,855	24,869,855
(b) Guarantees		
Guarantees given to banks on behalf of associate company	253,400,000	253,400,000
The Company has received counter-guarantees from other parties amounting to ₹ 190,050,000 (previous year ₹ 190,050,000) against the aforesaid guarantees given by the Company to the banks. The outstanding amount of loan availed by the associate company as at 31st March 2015 is ₹ 142,563,425 (as at 31st March 2014 ₹ 180,564,848).		
(ii) Commitments:		
(a) Other Commitments		
Non-cancellable contractual commitments - See Note 2.25		

2.20 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Particulars	Balance as at	Maximum balance outstanding during the year ended
	31st March, 2015 ₹	31st March, 2015 ₹
Loans and advances (including interest accrued and due) in the nature of loans to subsidiaries, associates, firms/companies in which directors are interested:		
Subsidiaries:		
-IITL Projects Limited	149,575,205 (100,000,000)	149,575,205 (103,195,616)
-IIT Insurance Broking and Risk Management Private Limited	9,751,509 (-)	9,751,717 (51,301,917)
Associate:		
-World Resorts Limited	31,016,964 (20,654,657)	31,016,964 (20,654,657)
-IITL Nimbus The Express Park View	235,064,389 (227,500,000)	235,332,419 (232,877,809)
-IITL Nimbus The Palm Village	142,969,603 (172,500,000)	178,486,700 (308,225,753)
-IITL Nimbus The Hyde Park Noida	175,903,010 (150,000,000)	196,209,524 (256,934,931)
-MRG Hotels Limited	30,994,488 (15,000,000)	31,016,307 (15,490,993)
Loans and advances in the nature of loans where there is, (a) no repayment schedule or repayment is beyond seven years or (b) no interest or interest is below rates stipulated in Section 186 of Companies Act, 2013 (erstwhile Section 372A of the Companies Act, 1956):		
(i) Yash Safety Product Limited*	-	2,500,000
	(2,500,000)	(2,500,000)
(ii) Micro Precision Pumps & Gears Limited*	-	2,000,000
	(2,000,000)	(2,000,000)

* The amount was provided in earlier years which has been written off during the year. There is no repayment schedule nor has any interest been charged.

Figures in brackets are for the previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.21 Expenditure in foreign currency

Particulars	Year ended	Year ended
	31st March, 2015	31st March, 2014
	₹	₹
Business promotion expenses	769,833	-
Total	769,833	-

2.22 Employee Benefits

(a) Defined Contribution Plan

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. The Company recognised ₹ 673,457 (previous year ₹ 628,040) for Provident Fund contributions in the Statement of Profit and Loss. (See 'Contribution to provident and other funds' in Note 2.16)

(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.

Particulars	Gratuity (funded)	
	31st March, 2015	31st March, 2014
	₹	₹
i Reconciliation of opening and closing balances of Defined Benefit Obligation		
Present value of Defined Benefit Obligation as at the beginning of the year	1,590,626	1,214,994
Equitable Interest liability assumed by the company on transfer of an employee from group company	18,417	-
Interest Cost	128,723	97,200
Current Service Cost	265,503	252,988
Benefits paid	(51,588)	-
Net Actuarial (Gain) / Loss	(99)	25,444
Present value of Defined Benefit Obligation as at the end of the year	1,951,582	1,590,626
ii Reconciliation of fair value of Plan Assets		
Fair value of Plan Assets as at the beginning of the year	2,067,147	1,680,788
Expected return on Plan Assets	185,593	151,185
Net Actuarial Gain / (Loss)	-	6,597
Employer's Contribution	171,840	228,577
Benefits paid	(51,588)	-
Fair value of Plan Assets as at the end of the year	2,372,992	2,067,147
The major categories of Plan Assets as a percentage of the fair value of total Plan Assets are as follows:		
Bank Balance	7.44%	8.22%
Funds maintained with Life Insurance Corporation of India	92.56%	91.78%

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.)

2.21 Employee Benefits (contd.)

	Particulars	Gratuity (funded)	
		31st March, 2015 ₹	31st March, 2014 ₹
iii	Net assets / (liabilities) recognised in the Balance Sheet		
	Present value of Defined Benefit Obligation	(1,951,582)	(1,590,626)
	Fair value of Plan Assets	2,372,992	2,067,147
	Net assets recognised in the Balance Sheet	421,410	476,521
iv	Components of Employer's Expenses		
	Current Service Cost	265,503	252,988
	Interest Cost	128,723	97,200
	Expected return on Plan Assets	(185,593)	(151,185)
	Net Actuarial (Gain) / Loss	(99)	25,444
	Total expense recognised in Statement of Profit and Loss (See 'Contribution to provident and other funds' in Note 2.16)	208,534	224,447
	Actual return on Plan Assets	185,593	151,185
	Estimated contribution in the next year	140,000	170,000
v	Actuarial Assumptions		
	Mortality Table	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
	Discount rate	8%	8%
	Expected rate of return on Plan Assets	9.96%	9.96%
	Salary escalation	6%	6%
	Attrition	1%	1%
vi	a. The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.		
	b. The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency and terms of the post-employment benefit obligations.		
	c. Expected rate of return on assets is determined based on the average long term rate of return expected on investments of the fund during the estimated term of the obligations.		
vii	Experience adjustment:		

	Gratuity (Funded)				
	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012	31st March, 2011
	₹	₹	₹	₹	₹
1. Present Value of Defined Benefit Obligation	1,951,582	1,590,626	1,214,994	984,199	770,309
2. Fair Value of Plan Assets	2,372,992	2,067,147	1,680,788	1,519,032	1,218,202
3. Funded Status [Surplus]	421,410	476,521	465,794	534,833	447,893
4. Net Asset	421,410	476,521	465,794	534,833	447,893
5. Experience adjustment arising on:					
a. Plan Liabilities (Gain) / Loss	(99)	25,444	(83,412)	(59,644)	(55,540)
b. Plan Assets (Gain) / Loss	20,221	29,784	9,737	20,174	9,804

viii The above information is as certified by the actuary and relied upon by the auditors.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.23 Earnings per share

Particulars	Year ended	Year ended
	31st March, 2015	31st March, 2014
	₹	₹
(a) Profit for the year	31,321,458	140,193,851
(b) Less: Adjustment for dividend and dividend distribution tax on CCPS	4,748	1,552,508
(c) Net amount available for equity shareholders	31,316,710	138,641,344
(d) Weighted average number of equity shares for Basic Earnings per share (Nos.)	22,543,605	21,220,564
(e) Effect of weighted average of potential equity shares on conversion of CCPS (Nos.)	-	1,326,986
(f) Weighted average number of equity shares for Diluted Earnings per share (Nos.)	22,543,605	22,547,550
(g) Basic Earnings per share (Face value ₹ 10/-)	1.39	6.53
(h) Diluted Earnings per share	1.39	6.22

2.24 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 Marketing Management Private Limited (Formerly IIT Media and Entertainment Private Limited upto 19th November, 2014) IITL Corporate Insurance Services Private Limited (w.e.f. 22nd January, 2014)
Joint venture:	Future Generali India Life Insurance Company Limited (w.e.f. 17th December, 2013)

(b) Names of other related parties and nature of relationship:

Key management personnel:	Dr. B. Samal, Executive Chairman
Associate company:	World Resort 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 Limited

(ii) Transactions with related parties:

(a) Key management personnel:

Sr. No.	Nature of transactions	₹
(A)	Remuneration paid to Dr. B. Samal	4,524,000
		(3,341,667)

Figures in brackets are for the previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.23 Related party disclosures: (contd)

(b) Other related parties:

Sr. No.	Nature of transactions	Subsidiary companies	Associate company	Entities under Significant influence
		₹	₹	₹
(i) Transactions during the				
(A)	Loans given			
	-IITL Projects Limited	45,000,000 (-)		
	-IIT Insurance Broking and Risk Management Private Limited	9,500,000 (50,000,000)		
	-IITL Nimbus The Express Park View			- (100,000,000)
	-IITL Nimbus The Palm Village			
	-IITL Nimbus The Hyde Park Noida			40,000,000 (250,000,000)
	-World Resorts Limited		10,000,000 (20,000,000)	
	-MRG Hotels Limited			15,000,000 (15,000,000)
(B)	Refund of loans given			
	-IIT Insurance Broking and Risk Management Private Limited	- (50,000,000)		
	-IITL Nimbus The Palm Village			34,130,273 (127,500,000)
	- IITL Nimbus the Hyde Park Noida			20,000,000 (100,000,000)
(C)	Interest income			
	- IITL Projects Limited	16,487,673 (12,591,782)		
	-IIT Insurance Broking and Risk Management Private Limited	327,766 (2,054,795)		
	-IITL Nimbus The Express Park View			34,226,319 (17,502,739)
	-IITL Nimbus The Palm Village			23,662,602 (29,995,890)
	-IITL Nimbus The Hyde Park Noida			24,729,195 (14,157,534)
	-World Resorts Limited		3,384,071 (1,123,425)	
	-MRG Hotels Limited			4,093,375 (569,795)
(D)	Dividend Received			
	-IIT Insurance Broking and Risk Management Private Limited	- (37,500,000)		
(E)	Investments in equity shares			
	-IITL Corporate Insurance Services Private Limited	2,500,000 (-)		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
2.23 Related party disclosures: (contd)

Sr. No.	Nature of transactions	Subsidiary companies	Associate company	Entities under Significant influence
		₹	₹	₹
(F)	Rent Expenses -IIT Investrust Limited	1,500,000 (541,667)		
(G)	Brokerage paid on sale of quoted investments -IIT Investrust Limited	41,775 (-)		

(ii) Balances at year-end				
Sr. No.	Nature of transactions	Subsidiary companies	Associate company	Entities under Significant influence
		₹	₹	₹
(A)	Amount receivable as at year-end			
	-IIT Investrust Limited	157,631 (29,999)		
	- IITL Projects Limited	149,601,252 (100,028,916)		
	-IIT Insurance Broking and Risk Management Private Limited	9,831,277 (-)		
	-IITL Nimbus The Express Park View			235,064,389 (227,500,000)
	-IITL Nimbus The Palm Village			142,969,603 (172,500,000)
	-IITL Nimbus The Hyde Park Noida			175,903,009 (150,000,000)
	-World Resorts Limited		31,016,964 (20,654,661)	
	-MRG Hotels Limited			30,994,488 (15,000,000)
(B)	Amount payable as at year-end			
	-IIT Insurance Broking and Risk Management Private Limited	- (80,040)		

Above disclosures exclude related party transactions in the nature of reimbursements.

Figures in brackets are for the previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.25 Details of leasing arrangements

The Company has taken an office premise and residential premise 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 Profit and Loss for the year is ₹ 2,942,700 (previous year: ₹ 1,824,367). [net of recoveries ₹ 840,000 (previous year: ₹ 1,000,000)]

The future minimum lease payments under non-cancellable operating leases for each of the following periods:

Particulars	Year ended	Year ended
	31st March, 2015	31st March, 2014
	₹	₹
Not later than one year	760,900	2,282,700
Later than one year but not later than five years	-	760,900
Later than five years	-	-
Total	760,900	3,043,600

2.26 Interest in joint ventures

The Company has interests in the following joint ventures:

Sr. No.	Name of joint venture and country of incorporation	% of interest
1	Future Generali India Life Insurance Company Limited (FGILICL) (India)	22.50

Financial interest of the company in jointly controlled entities is as under:

Sr. No.	Particulars	Amount of interest based on the audited accounts	
		Year ended	Year ended
		31 March, 2015	31 March, 2014
		₹	₹
1	Assets	6,343,978,253	5,712,460,552
2	Liabilities	5,784,713,097	5,152,691,936
3	Income	2,299,166,558	732,701,361
4	Expenditure	2,296,943,332	812,310,910
5	Contingent liabilities	1,520,550	1,281,600
6	Capital commitments	188,775	212,175

2.27 Disclosure under paragraph 13 of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015

2.27 (a) Capital to Risk Assets Ratio ("CRAR")

Items	As at	As at
	31-Mar-15	31-Mar-14
CRAR (%)	84.32	87.70
CRAR - Tier I Capital (%)	84.18	87.58
CRAR - Tier II Capital (%)	0.14	0.12

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
2.27 (b) Exposure to Real Estate Sector

Category	31-Mar-15	31-Mar-14
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	Nil Nil	Nil Nil
Category	31-Mar-15	31-Mar-14
- Individual housing loans above Rs.15 lakh	Nil	Nil
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.	Nil	Nil
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
1. Residential	Nil	Nil
2. Commercial Real Estate	Nil	Nil
b) Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	Nil	Nil

Note: The Company has given unsecured short 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 ₹ 680,869,727 (Previous year ₹ 650,000,000). The Company also has long-term equity investments in the said subsidiary of ₹ 136,123,073 (Previous year ₹ 136,123,073).

2.27 (c) Maturity pattern of certain items of Assets and Liabilities (Based on RBI Guidelines at Book values)

Particulars	Liabilities		Assets	
	Borrowing from banks	Market Borrowing	Advances	Investments
1 day to 30/31 days (One month)	-	-	-	-
Over one month to 2 months	-	-	-	-
Over 2 months upto 3 months	-	-	-	-
Over 3 months to 6 months	-	-	-	-
Over 6 months to 1 year	-	750,065	750,369,727	-
Over 1 year to 3 years	-	1,131,395	-	-
Over 3 years to 5 years	-	-	-	600,000,000
Over 5 years	-	-	-	3,890,059,776
Total	-	1,881,460	750,369,727	4,490,059,776

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note:

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.

2.28 The Company is engaged in Investment activities and in Insurance business undertaken through the joint venture company FGILICL. Hence there are two reportable business segments as per Accounting Standard-17 Segment Reporting notified by the Companies (Accounting Standards) Rules, 2006. The Company operates only in one geographical segment i.e. India. The segment information has been provided in the consolidated financial statements.

2.29 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.

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 not only life but also micro insurance. Life Insurance Industry has a long gestation period and the Company views this as a long term investment. Having regard to this and the projections made by FGILICL, the management of the Company is of the view that, although the networth of FGILICL as at 31st March 2015 has substantially eroded, there is no diminution other than temporary in the value of investment of the Company in FGILICL as at 31st March 2015.

2.30 Pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has, effective 1st April 2014, reviewed and revised the estimated useful life of its fixed assets, in accordance with the provisions of Schedule II to the Act. The carrying amount of the assets as on that date has been depreciated over the remaining useful life of the assets as per Schedule II of the Companies Act, 2013. Consequently, depreciation for the year is higher by ₹ 431,067. Further, an amount of ₹ 181,804 (net of deferred tax of ₹ 93,615) has been recognized in the Surplus in the statement of profit and loss, where the remaining useful life of such assets is Nil as at 1st April, 2014 in line with the provisions of Schedule II to the Act.

2.31 The Company is in the process of appointing a Chief Financial Officer as key managerial personnel.

2.32 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year classification / disclosure.

For and on behalf of the Board of Directors

DR. B. SAMAL

Executive Chairman

BIPIN AGARWAL

Director

CUMI BANERJEE

CEO & Company Secretary

Mumbai: 30th May, 2015



(4) Break-up of Investments :(net of provisions for diminution) (contd.)			
Long Term Investments :			
1. Quoted :			
(i) Shares : (a) Equity		188,296,640	237,095,709
(b) Preference		-	-
(ii) Debentures and Bonds		-	-
(iii) Units of Mutual funds		-	-
(iv) Government Securities		-	-
(v) Others (please specify)		-	-
2. Unquoted :			
(i) Shares : (a) Equity		3,701,591,250	3,699,091,250
(b) Preference		600,000,000	600,000,000
(ii) Debentures and Bonds		-	-
(iii) Units of Mutual funds		-	-
(iv) Government Securities		-	-
(v) Others - Immovable property		171,886	180,839
(vi) Others-Share Application Money		-	-
		4,490,059,776	4,536,367,798

(5) Borrower group-wise classification of assets financed as in (2) and (3) above: (net of provisions for doubtful loans)

Category	31-03-2015			31-03-2014		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	154,763,446	154,763,446	-	100,058,915	100,058,915
(b) Companies in the same group	-	60,000,000	60,000,000	-	550,000,000	550,000,000
(c) Other related parties	-	535,869,727	535,869,727	-	35,000,000	35,000,000
2. Other than related parties	-	-	-	-	-	-
Total	-	750,633,173	750,633,173	-	685,058,915	685,058,915

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	31-03-2015		31-03-2014	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	569,807,114	632,533,073	532,040,696	630,033,073
(b) Companies in the same group	3,805,181,250	3,805,181,250	3,805,181,250	3,805,181,250
(c) Other related parties	-	-	-	-
2. Other than related parties	32,799,161	52,345,453	57,409,791	101,153,475
Total	4,407,787,525	4,490,059,776	4,394,631,737	4,536,367,798

(7) Other information

Particulars	31-03-2015 Amount	31-03-2014 Amount
(i) Gross Non-performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	4,500,000
(ii) Net Non-performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman

BIPIN AGARWAL
Director

CUMI A. BANERJEE
CEO & Company Secretary

Mumbai: 30th May, 2015

INDUSTRIAL INVESTMENT TRUST LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **INDUSTRIAL INVESTMENT TRUST LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associate and jointly controlled entities comprising the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated

financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (1) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and jointly controlled entities as at 31st March, 2015, and their

consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 2.35 of the consolidated financial statements. As stated in the Note the net worth of Future Generali India Life Insurance Company Limited ("FGILICL"), a Joint Venture of the Group, as at 31st March 2015 has substantially eroded. However, the Management of the Holding Company is of the view, for the reasons stated in the Note, that there is no impairment as at 31st March, 2015 in the value of Goodwill on consolidation arising on such acquisition.

Our opinion is not qualified in respect of this matter.

Other Matters

1. We did not audit the financial statements of four subsidiaries and five jointly controlled entities, whose financial statements reflect total assets (net) of ₹ 10,373,978,336 as at 31st March, 2015, total revenues of ₹ 3,124,558,044 and net cash outflows amounting to ₹ 16,730,546 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 net loss of ₹ 16,887,204 for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of one associate, 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 and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associate, our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associate, as applicable, is based solely on the reports of the other auditors.
2. In the case of Future Generali India Life Insurance Company Limited (FGILICL), a Joint Venture Company, their auditors in their report under Other Matter paragraph stated that the actuarial valuation of liabilities of life policies is the responsibility of the FGILICL's Appointed Actuary ('the Appointed Actuary'). The actuarial valuation of these liabilities as at 31st March, 2015 has been duly certified by the appointed actuary. The appointed actuary has also certified that in his opinion the assumption for such valuation are in accordance with the guidelines and norms, issued by the IRDA and Institute of Actuaries of India (formerly known

as Actuarial Society of India) in concurrence with the IRDA. FGILICL auditors have relied upon the Appointed Actuary's certificate in this regard for forming their opinion on the financial statements of FGILICL.

Our opinion on the consolidated financial statements, and our report on 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

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate company and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account 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 Rule 7 of the Companies (Accounts) Rules, 2014 and in case of a jointly controlled entity which is in insurance business, also with the accounting principles as prescribed in the IRDA Regulations and order/directions issued by the

IRDAI in this regard.

- (e) The matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary companies, associate company and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate company and jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and the other auditors:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 2.27(i) (a) to the consolidated financial statements.
- ii. In case of jointly controlled companies provision has been made, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The jointly controlled companies did not have any long term derivative contracts. The Group and associate company did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and a jointly controlled company incorporated in India. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies, associate company and another jointly controlled company incorporated in India.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117365W)

Uday M. Neogi
Partner
(Membership No. 30235)

MUMBAI: 30th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Industrial Investment Trust Limited on the consolidated financial statements for the year ended 31st March 2015)

Our reporting on the Order includes two subsidiary companies, one jointly controlled company and one associate company incorporated in India, to which the Order is applicable, which have been audited by other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- (i) In respect of the fixed assets of the Holding Company, subsidiary companies, associate company and jointly controlled company incorporated in India:
 - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification which, in our opinion and the opinion of the other auditors, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification.
- (ii) In respect of the inventories of a subsidiary company, associate company and jointly controlled company incorporated in India:
 - (a) As explained to us and the other auditors, the inventories were physically verified during the year by the Management of the respective entities at reasonable intervals.
 - (b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, having regard to the nature of inventory, the procedures of physical verification of inventory followed by the Management and in case of real estate projects the procedures of physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are reasonable and adequate in relation to the size of the respective entities and the nature of their business.
 - (c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.

The Holding Company and another subsidiary company did not hold any inventory during the year hence this clause is not applicable.

- (iii) The subsidiary companies, associate company and jointly controlled company incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities. The Holding Company, has granted loans, to the extent included in the consolidated financial statements, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:
 - (a) The receipts of principal amounts and interest have been as per stipulations.
 - (b) There is no overdue amount in excess of ₹ 1 lakh remaining outstanding as at the year-end.
- (iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the Holding Company, subsidiary companies, associate company and jointly controlled company incorporated in India, commensurate with the size of the respective entities and the nature of their business for the purchase of inventory (as applicable) and fixed assets and for the sale of goods and services and during the course of our and the other auditors audit no continuing failure to correct major weaknesses in such internal control system has been observed.
- (v) According to the information and explanations given to us, the Holding Company, subsidiary companies, associate company and jointly controlled company incorporated in India have not accepted any deposit during the year within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, a subsidiary company and jointly controlled company incorporated in India have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013. Neither we nor the other auditors have, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company, another subsidiary company and associate company are not required to maintain cost records under subsection (1) of Section 148 of the Companies Act, 2013 hence this clause is not applicable.

(vii) According to the information and explanations given to us and the other auditors, in respect of statutory dues of the Holding Company, subsidiary companies, associate company and jointly controlled company incorporated in India:

- (a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.
- (b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes by the aforesaid entities are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹)
The Income-tax Act, 1961	Income tax	Income-tax Appellate Tribunal	A.Y.1995-96	5,733,647
The Income-tax Act, 1961	Income tax	Income-tax Appellate Tribunal	A.Y.1996-97	1,004,643
The Income-tax Act, 1961	Income tax	Commissioner of Income-tax (Appeals)	A.Y. 2008-09	490,257
The Wealth tax Act, 1957	Wealth tax	High Court, Mumbai	A.Y. 1997-98	3,250,246
The Income-tax Act, 1961	Income tax	CIT (Appeals), New Delhi	A.Y. 2012-13	2,218,479

- (d) The Holding Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time. For other entities there are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.

(viii) The Group, its associate and jointly controlled companies do not have consolidated accumulated losses at the end of the financial year and the Group, its associates and jointly controlled companies have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.

- (ix) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company, subsidiary companies, associate company and jointly controlled company incorporated in India have not defaulted in the repayment of dues to financial institutions and banks. The Holding Company, subsidiary companies, associate company and jointly controlled entity incorporated in India have not issued any debentures.
- (x) According to the information and explanations given to us and the other auditors, the Holding Company, subsidiary companies, associate company and jointly controlled company incorporated in India have not given guarantees for loans taken by others from banks and financial institutions.
- (xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the Holding Company, a subsidiary company and jointly controlled company incorporated in India during the year for the purposes for which they were obtained. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, in the case of another subsidiary company and associate company no term loans were taken during the year.
- (xii) To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company, subsidiary companies, associate company and jointly controlled company incorporated in India and no material fraud on the Holding Company, subsidiary companies, associate company and jointly controlled entity incorporated in India has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Registration No.117365W)

Uday M. Neogi

Partner
(Membership No.30235)

MUMBAI, 30th May, 2015

**CONSOLIDATED BALANCE SHEET AS AT
31ST MARCH, 2015**

Particulars	Note No.	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	225,475,500	225,475,500
Reserves and surplus	2.2	4,993,967,251	5,011,844,794
		5,219,442,751	5,237,320,294
Minority Interest		38,208,212	26,741,057
Non-current liabilities			
Long-Term Borrowings	2.3	85,306,395	54,171,000
Other long-term liabilities			
-Policy Liabilities (Policyholder's Fund)		5,475,720,249	4,918,844,735
-Other	2.4	965,667,529	1,190,355,980
Long-term provisions	2.5	7,949,838	10,643,064
		6,534,644,011	6,174,014,779
Current liabilities			
Short term borrowings	2.6	208,000,000	147,677,500
Trade payables	2.7	785,341,847	420,529,774
Other current liabilities			
-Policy Liabilities (Policyholder's Fund)		156,414,427	126,610,641
-Other	2.8	1,536,719,154	1,472,512,418
Short-term provisions	2.9	39,238,593	69,050,331
		2,725,714,021	2,236,380,664
TOTAL		14,518,008,995	13,674,456,794
ASSETS			
Non-current assets			
Fixed assets	2.10		
(i) Tangible assets		105,298,181	109,957,031
(ii) Intangible assets		7,419,442	7,699,094
(iii) Capital work-in-progress		232,752	202,497
Goodwill on consolidation (See Note 2.35)		2,849,438,501	2,849,438,501
Non-current investments	2.11	4,634,784,240	3,951,933,688
Deferred tax assets (net)	2.12	5,033,274	6,570,963
Long-term loans and advances	2.13	115,770,395	117,429,898
Other non-current assets	2.14	18,583,763	18,303,241
		7,736,560,548	7,061,534,913
Current assets			
Current investments	2.15	2,064,452,809	2,093,186,864
Inventories	2.16	3,190,812,495	2,782,766,987
Trade receivables	2.17	458,081,626	495,274,982
Cash and cash equivalents	2.18	297,917,644	504,437,452
Short-term loans and advances	2.19	594,581,496	515,979,828
Other current assets	2.20	175,602,377	221,275,768
		6,781,448,447	6,612,921,881
TOTAL		14,518,008,995	13,674,456,794

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS
Chartered AccountantsDr. B. SAMAL
ChairmanBIPIN AGARWAL
DirectorUDAY M. NEOGI
PartnerCUMI BANERJEE
CEO & Company Secretary

Mumbai: 30th May, 2015

Mumbai: 30th May, 2015

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

Particulars	Note No.	For the Year ended 31st March, 2015 ₹	For the Year ended 31st March, 2014 ₹
Revenue from operations	2.21	1,066,594,055	1,387,891,360
Premium from Insurance Business		1,407,066,078	548,129,899
Other Income from Insurance Business		892,100,480	184,571,462
Other income	2.22	31,732,708	35,516,942
Total Revenue		3,397,493,321	2,156,109,663
Cost of sales	2.23	867,274,897	1,079,033,121
Employee benefits expense	2.24	44,006,191	62,174,807
Finance costs	2.25	5,767,528	1,891,471
Benefits paid pertaining to Insurance Business (Net)		1,005,184,451	205,668,608
Commission and Operating expenses pertaining to Insurance Business		1,017,771,510	511,389,702
Other expenses pertaining to Insurance Business		270,498,474	90,248,728
Depreciation and amortisation expense			
- on investment property		8,953	9,517
- on fixed assets	2.10	9,266,601	8,891,483
Other expenses	2.26	78,112,950	105,872,178
Provision for diminution in value of long term investments		13,010,749	7,200,000
Contingent provisions against standard assets		223,000	120,000
Net loss on sale of long-term investments		18,756,625	896,297
Total expenses		3,329,881,929	2,073,395,912
Profit before exceptional items and tax		67,611,392	82,713,751
Exceptional items		-	-
Profit before tax		67,611,392	82,713,751
Tax expense/(benefit):			
- Current tax		36,419,795	82,301,300
- MAT credit entitlement		(16,184,000)	(18,200,000)
- Short provision for tax relating to prior years		1,983,811	883,985
- Net Current tax expenses		22,219,606	64,985,285
- Deferred tax		1,657,481	(6,290,891)
Net tax expense		23,877,087	58,694,394
Profit after tax before share of profit/(loss) of associate and minority interest		43,734,305	24,019,357
Share in loss of associate for the year		(16,887,204)	(7,939,412)
Profit after tax before share of profit/(loss) attributable to minority interest		26,847,101	16,079,945
Share of profit/(loss) attributable to Minority interest		11,467,155	(595,695)
Profit for the year attributable to shareholders of the Company		15,379,946	16,675,640
Earnings per equity share:	2.30		
Basic		0.68	0.71
Diluted		0.68	0.71
Nominal Value per equity share		10.00	10.00

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS
Chartered AccountantsDr. B. SAMAL
ChairmanBIPIN AGARWAL
DirectorUDAY M. NEOGI
PartnerCUMI BANERJEE
CEO & Company Secretary

Mumbai: 30th May, 2015

Mumbai: 30th May, 2015



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	For the Year ended 31st March, 2015 ₹	For the Year ended 31st March, 2014 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	67,611,392	82,713,751
Adjustments for:		
Depreciation on fixed assets *	15,115,601	9,992,575
Depreciation on investment on immovable property	8,953	9,517
Interest income **	(85,818,733)	(127,530,804)
Provision for bad debts	975,482	6,540,307
Loss on write off / sale of fixed assets	671,907	704,202
Interest on income tax	396,861	8,904,848
Interest on loans *	9,541,715	4,601,635
Dividend income **	(17,555,619)	(6,193,242)
Liability no longer required written back	(1,927,842)	(774,993)
Provision for diminution in value of investments	13,010,749	7,200,000
Contingent provision against standard assets	223,000	120,000
Write down on reclassification of investment	-	48,840
Profit on sale of current investments (net)	(389,056,082)	(684,433)
Loss on sale of Non-current investments (net)	18,756,625	896,297
Operating (profit) / loss before working capital changes	(368,045,991)	(13,451,500)
Changes in working capital		
Adjustments for (increase) / decrease in operating assets:		
Inventories (See Note 3 below)	(318,777,440)	(38,732,781)
Trade receivables	36,217,874	(197,587,806)
Short-term loans and advances	(60,419,646)	(46,644,193)
Long-term loans and advances	6,686,630	8,096,961
Other current assets	61,318,024	42,244,460
Other non-current assets	-	(6,361,030)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	366,739,915	76,558,073
Other current liabilities	58,502,239	214,630,566
Short-term provisions	56,881	597,097
Other long-term liabilities	(224,688,451)	(131,619,716)
Policy Liabilities	586,679,300	363,572,961
Long-term provisions	(2,693,226)	6,927,211
Other adjustments :		
Bank balances not considered as cash and cash equivalents		
-Placed	(210,638,671)	(6,936,008,642)
-Matured	248,715,953	7,507,822,321
Sale of long-term investments		
-Others	17,031,695	-
Purchase of current investments	-	(35,000,000)
Sale of current investments	-	307,296,763
Amount paid for acquiring equity shares	-	(900,000,000)
Loans Given:		
-Associate	(10,000,000)	(35,000,000)
-Joint Venture	(22,000,000)	(190,000,000)
-Entities under significant influence	(15,000,000)	-
Repayment of loans		
-Joint Venture	28,918,393	121,937,500
-Others	-	100,000,000
Interest received		
-Associate	3,021,768	33,761,983
-Others	46,164,381	70,861,288
Cash flow from operations	227,789,628	323,901,517
Net income tax paid	(41,374,520)	(70,614,032)
Net cash generated from / (used in) operating activities (A)	186,415,108	253,287,485

* Includes depreciation/Interest on loans included under Commission and Operating expenses pertaining to Insurance Business.

** Includes Interest income/ Dividend income included under Other Income from Insurance Business

Particulars	For the Year ended 31st March, 2015 ₹	For the Year ended 31st March, 2014 ₹
B. CASH FLOW FROM INVESTING ACTIVITIES		
Bank balances not considered as cash and cash equivalents	160,437,788	10,758,920
Purchase of non current investments	(766,868,383)	(297,655,366)
Purchase of current investments	(216,938,266)	(398,293,079)
Proceeds from Sale of non current investments	45,606,907	-
Proceeds from Sale of current investments	604,717,414	382,327,944
Interest received (See Note 3 below)	22,570,819	2,568,046
Dividend income	17,555,619	5,202,667
Purchase of fixed assets	(13,360,133)	(104,882,482)
Proceeds from sale of fixed assets	620,886	90,991
Net cash used in investing activities (B)	(145,657,349)	(399,882,359)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	108,120,074	64,965,785
Repayment of long term borrowings	(76,234,612)	(798,785)
Proceeds from short term borrowings	294,276,992	147,677,500
Repayment of short term borrowings	(233,954,492)	(127,062,500)
Finance cost (See Note 3 below)	(96,039,687)	(60,636,634)
Dividend paid on equity and preference shares	(38,462,972)	(30,927,037)
Tax on dividend paid	(6,536,782)	(6,083,438)
Net cash (used in) / generated from financing activities (C)	(48,831,479)	(12,865,109)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(8,073,720)	(159,459,983)
Cash and cash equivalents at the beginning of the year	204,392,888	329,767,431
Cash and cash equivalents acquired on acquisition of interest in a Joint Venture	-	34,085,440
Cash and cash equivalents at the end of the year (See Note 2.18)	196,319,168	204,392,888

Notes:

- Cash flows relating to investment activities of the parent company are included under operating activities.
- Direct tax paid is treated arising from operating activities and is not bifurcated between investing and financing activities.
- Changes in inventories is after adjusting borrowing costs capitalised. Interest received is inclusive of amount netted off from inventories and finance cost is inclusive of amount capitalised under inventories.
- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3
- Previous year figures have been regrouped wherever necessary.

In terms of our report attached. **For and on behalf of the Board of Directors**

For DELOITTE HASKINS & SELLS Chartered Accountants
Dr. B. SAMAL Chairman
BIPIN AGARWAL Director

UDAY M. NEOGI Partner
CUMI BANERJEE CEO & Company Secretary

Mumbai: 30th May, 2015 Mumbai: 30th May, 2015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 Basis of consolidation :

The consolidated financial statements relate to Industrial Investment Trust Limited (the Company), its Subsidiaries and Jointly Controlled Entities (the Group). The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21(AS 21) "Consolidated Financial Statements", Accounting Standard 23(AS 23) "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard 27 (AS 27) "Financial Reporting of Interests in Joint Ventures" specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- 1.2 (i) The financial statements of the following subsidiaries have been consolidated as per Accounting standard 21 on "Consolidated Financial Statements" as notified by the Companies (Accounting Standards) Rules, 2006:

Name of Subsidiary	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Extent of holding (%)	Extent of holding (%)
(i) IIT Investtrust 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 Marketing Management Private Limited (IITLMMPL) (formerly known as IIT Media and Entertainment Private Limited)	100	100
(v) IITL Corporate Insurance Services Private Limited (IITLCISPL)	100 (w.e.f. 22nd January, 2014)	NIL

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 notified by the Companies (Accounting Standards) Rules, 2006:

Name of Jointly Controlled Entity	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Extent of holding (%)	Extent of holding (%)
(i) Capital Infraprojects Private Limited (CIPL)	50	50
(ii) IITL Nimbus The Hyde Park Noida (INHP) - Partnership Firm	45	45
(iii) IITL Nimbus The Express Park View (INEPV) - Partnership Firm	47.50	47.50
(iv) IITL Nimbus The Palm Village (INPV) - Partnership Firm	47.50	47.50
(v) Future Generali India Life Insurance Company Limited (FGILICL)	22.50	22.50 (w.e.f. 17th December, 2013)

All the jointly controlled entities mentioned above are incorporated in India.

- (iii) The following associate, investment in which is accounted using equity method as per Accounting standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" as notified by the Companies (Accounting Standards) Rules, 2006:

Name of Associate Company	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Extent of holding (%)	Extent of holding (%)
World Resorts Limited	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 notified by the Companies (Accounting Standards) Rules, 2006.
- (ii) The financial statements of the jointly controlled entities 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 27 on 'Financial Reporting of Interests in Joint Ventures' as notified by the Companies (Accounting Standards) Rules, 2006 using the "proportionate consolidation" method.
- (iii) The financial statements of the subsidiaries and jointly controlled entities used in the consolidation are drawn up to the same reporting date as that of the Company, i.e. 31st March, 2015.
- (iv) The excess of cost to the Company of its investment in the subsidiaries and jointly controlled entities 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 & jointly control entities as on the dates of investment /acquisition is in excess of cost of the investment of the company, it is recognised as Capital Reserve & shown under the head Reserves & Surplus in the Consolidated Financial Statements.
- (v) Minority interest in the net assets of the subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments in the subsidiary companies were made and further movement in their share in the equity, subsequent to the dates of investments.

1.4 Significant Accounting Policies:

(i) Basis of accounting:

The financial statements of the Group have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Consolidated financial statements are consistent with those followed in the previous year. The Consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), as applicable. The Company follows the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

The Financial Statements of FGILICL are prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles in India and in compliance with the Accounting Standards as prescribed in the Companies (Accounting Standards) Rules, 2014, the provisions of the Insurance Act, 1938 (as amended by the Insurance Laws Amendment Act 2015), the Insurance Regulatory and Development Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (The Accounting Regulations), (as amended by the Insurance Laws Amendment Act 2015) and relevant regulations notified by the Insurance Regulatory and Development Authority issued thereafter and as per the Companies Act, 2013, to the extent applicable.

(ii) Use of estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

1.4 Significant Accounting Policies: (contd.)

and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(iii) Revenue recognition:

Other than Insurance Business :

- (a) Interest on all lending such as inter-corporate deposits, finance against securities and fixed deposits are accounted on time proportionate basis.
- (b) Rental income is accrued on the basis of the agreement.
- (c) Dividend is accounted when the right to receive payment is established.
- (d) 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.
- (e) Fees from real estate consultancy are accounted as per the terms of contract with the customers.
- (f) Revenue from real estate projects is recognised on the Percentage of Completion Method. Revenue is recognised in relation to the areas sold, on the basis of percentage of actual costs incurred as against the total estimated cost of the project under execution, subject to such actual costs being 25 percent or more of the total estimated cost. Land costs are not included for the purpose of computing the percentage of completion. When it is probable that total estimated costs will exceed total project revenues, the expected loss is recognised as an expense immediately.

In case of Joint venture Entities in real estate activities, revenue from Real estate projects is recognized as per the Guidance Note on Accounting for Real Estates transactions (revised 2012) issued by ICAI. It is based on Percentage of completion method.

The estimates of saleable area and costs are revised periodically by the Management. The effect of such changes in estimates is recognised in the period such changes are determined.
- (g) Commission and brokerage from insurance broking business is credited to 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 booked on the due date of the installment. Adjustments to brokerage arising from premium additions, reductions and renewal directly deposited by the client are taken into account as and when they are known.
- (h) Brokerage income from stock broking activities is recognised on the basis of Contract Notes issued.
- (i) Revenue in case of corporate finance income is recognised on the proportionate completion method based on management estimates of the stages of completion of the contracts.
- (j) Net income from trading of securities is accounted for on the basis of Stock Brokers Contract Notes.
- (k) 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.
- (l) Brokerage income from primary market has been recognised on the basis of advice from the Registrar regarding allotment.

Insurance Business

Life Insurance Premium :

- (a) Premium (net of service tax) is recognised as income when due from

1.4 Significant Accounting Policies: (contd.)

policyholders. Premium on lapsed policies is recognised as income on receipt basis on reinstatement or revival of these policies. In respect of linked business, premium income is recognised when the associated units are allotted.

- (b) Top up premiums are considered as single premium.

Others :

- (c) Interest on investments and loans are recognised on accrual basis. Accretion of discount and amortization of premium in respect of debt securities is affected over the remaining term of such instruments on constant yield basis. In case of Treasury Bills /Commercial Papers/ Certificate of Deposits/CBLO, accretion of discount is effected over the remaining period of instruments on Straight Line Basis.
- (d) In case of unit linked business, fund management charges, administration charges and mortality charges are recognised in accordance with the terms and conditions of the policy.
- (e) Realised gains and losses in respect of equity shares and units of mutual funds are calculated as the difference between the net sales proceeds and their weighted average cost.
- (f) In respect of debt securities held on account of Shareholders and Non-Linked Policyholders Funds, the realised gains and losses are calculated as difference between net sales proceeds or redemption proceeds and amortised cost. Cost in respect of these securities is computed using weighted average method. In case of unit linked Funds, realised profit/loss on Debt securities are calculated as the difference between the net sales proceeds and their weighted average cost.

In case of Treasury Bills/Commercial Papers/Certificate of Deposits/ CBLO, the same is calculated as difference between Net sales proceeds and amortised cost.

Reinsurance premium :

- (g) Premium ceded on reinsurance is accounted in accordance with the terms of the treaty.

(iv) Inventories :

- (a) Inventories are valued at lower of cost and net realisable value. Construction material cost is determined on a First in First Out basis. Construction work in progress comprises premium for development rights and expenditure relating to construction 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.

(v) Fixed Assets :

Tangible Asstes :

Fixed assets are stated at cost of acquisition less accumulated depreciation and amortisation. Cost comprises of the purchase price and any other attributable cost of bringing the asset to its working condition for its intended use. Improvements to leasehold premises are capitalised as Leasehold Improvements.

Intangible Asstes :

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Expenditure on an intangible item is expensed when incurred unless it forms part of the cost of intangible asset that meets the recognition criteria. Intangible assets are stated at cost of acquisition and are carried at cost less accumulated amortization and impairment loss, if any.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

1.4 Significant Accounting Policies: (contd.)

(vi) Depreciation and amortisation:

- (a) Depreciation on fixed assets is provided on the written down value basis as per the useful life prescribed in Schedule II to the Companies 2013 Act, except in respect of: (a) IITL where depreciation is provided on straight line method, as per the useful life prescribed in Schedule II to the 2013 Act; (b) IITL-Nimbus Hyde Park, Noida and IITL-Nimbus Express Park View, joint venture partnership firms where depreciation is provided on written down value method, at rates and in the manner as provided under section 32 of the Income Tax Act, 1961. These rates are higher than the rates prescribed under the Companies Act, 2013 in most of the cases. and (c) In respect of FGILICL where depreciation on Fixed Assets is provided using the Straight Line Method on a pro-rata basis over the remaining useful life of assets as prescribed in Schedule II to the Companies Act, 2013.
- (b) Depreciation on improvement in lease hold premises is provided over the period of lease except in respect of FGIL where Leasehold Improvements are amortised over the initial period of respective leases or 60 months, whichever is lower.
- (c) Depreciation on additions to fixed assets is provided for the full year irrespective of the date of addition and no depreciation is provided on deletions to fixed assets in the year of sale except in respect of: (a) IITL where depreciation is provided proportionately; and (b) IITL-Nimbus Hyde Park, Noida and IITL-Nimbus Express Park View, joint venture partnership firms where depreciation is provided as per Income Tax Act, 1961.
- (d) Computer software is amortised over the period of its estimated useful life ranging from 2 to 5 years.

(vii) Investments:

Other Than Insurance Business :

Long Term Investments (excluding Investment properties) are valued at cost unless there is a diminution in value, other than temporary for which provision is made. Current investments are stated at lower of cost and fair value. Investment properties are carried individually at cost less accumulated depreciation. Investment properties are capitalised and depreciated in accordance with the policy stated for Fixed Assets. Investment properties are capitalised and depreciated in accordance with the policy stated for Fixed Assets.

Insurance Business :

Investments are made in accordance with the Insurance Act, 1938, as amended by the Insurance Law (Amendment Act), 2015, the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended and circulars/notifications issued by the Insurance Regulatory and Development Authority (IRDA) from time to time. Investments are recorded on the trade date at cost, which includes brokerage, statutory levies, if any and excludes interest paid, if any, on Purchase.

Classification:

Investments intended to be held for a period of less than twelve months or those maturing within twelve months from the Balance Sheet Date are classified as "Current Investments". Investments other than short term are classified as "Non-Current Investments".

Valuation - Shareholders' investments and Non-Linked Policyholders' investments:

Debt securities including government securities are considered as "held to maturity" and are stated at amortised cost. The premium or discount, which is paid or availed respectively, at the time of purchase of a fixed income security, is amortised over the life of the instrument on Constant Yield basis. Fixed deposits are valued at cost till the date of maturity. Investments in mutual funds are stated at the Net Asset Value (NAV) as at the Balance Sheet date. Listed equity securities are measured at fair value on the balance sheet date. For the purpose of calculating NAV, listed equity shares are valued at last

1.4 Significant Accounting Policies: (contd.)

quoted closing price on the NSE and in case the equity shares are not listed or traded on NSE then they are valued on the last quoted closing price on the BSE. Unlisted equity securities are measured at historic cost. In respect of investment in equity shares and mutual funds, the corresponding unrealized investment gain or losses are reported in the Balance Sheet under "Fair Value Change Account". In case of diminution, other than temporary, in the market value of investments as on the Balance Sheet date, the amount of diminution is recognised as an expense in the Revenue/Profit and Loss Account as the case may be.

Valuation - Linked Business:

Government Securities and other Debt Securities with remaining maturity more than 182 days are valued based on market value obtained from Fixed Income Money Market & Derivatives Association of India ('FIMMDA') and CRISIL Bond Value respectively. Government and other debt securities with remaining maturity of up to 182 days are valued at amortised cost spread uniformly over the remaining life of the securities. Listed equity securities are measured at fair value on the Balance Sheet date. For the purpose of determining fair value, the last quoted closing price at the National Stock Exchange of India Ltd. ('NSE') is considered. Unrealised gain or losses are recognized in the scheme's Revenue Account. Fixed Deposits are valued at cost till the date of maturity. Mutual fund units are valued at previous day's Net Asset Value.

Transfer of Investments :

Transfer of debt securities from shareholders' to policyholders' is done at the lower of net amortised cost and market value on the date of transfer. In the case of equity securities, such transfers are affected at lower of cost and market value on the date of transfer. In case of unit linked fund, such transfers are effected at market value on date of transfer.

(viii) Taxation:

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 and other applicable laws. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

(ix) Provisions and contingencies:

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

1.4 Significant Accounting Policies: (contd.)

liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

(x) Impairment of assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the consolidated Statement of Profit and Loss, except in case of revalued assets.

(xi) Employee Benefits:

(a) Short term employee benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in Consolidated Statement of Profit and Loss of the year in which the related service is rendered.

(b) Long term employee benefits:

(i) Defined Contribution Plan:

The eligible employees of the Group are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Group makes monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to Employees Provident Fund Organisation. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Group has no further obligation beyond making the contribution. The contributions to Defined Contribution Plan are charged to the Consolidated Statement of Profit and Loss as incurred.

(ii) Defined Benefit Plan:

1. Gratuity

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

2. Compensated absences

The Group provides for the encashment of leave or leave with pay subject to certain rules. The Employees are entitled to accumulate leave subject to certain limits for future encashment / availing. The Group makes provision for compensated absences based on an actuarial valuation carried out at the end of the year except for Joint Ventures other than FGILICL in case of which the provision for compensated absences, which is not material, is based on management valuation. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss.

1.4 Significant Accounting Policies: (contd.)

(xii) Borrowing costs:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other Borrowing costs are recognised as an expense in the period in which they are incurred. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

(xiii) Operating Lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as operating leases. Operating lease payments are recognised as an expense in Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

(xiv) 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 Consolidated 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 Consolidated Statement of Profit and Loss.

(xv) Share issue expenses:

Share issue expenses are adjusted against Securities Premium Account in terms of Section 52 of the 2013 Act, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in Securities Premium Account is expensed in the Consolidated Statement of Profit and Loss.

(xvi) Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

(xvii) Service tax input credit :

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no reasonable uncertainty in availing / utilising the credits.

(xviii) Cash and bank balances (for purposes of Cash Flow Statement) :

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), highly liquid investments that are readily

1.4 Significant Accounting Policies: (contd.)

convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(xix) Cash flow statement :

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xx) Other Policies with respect to Insurance Business:

(a) Benefits Paid (including Claims) :

Claims by death are accounted when intimated. Claims by maturity are accounted on the maturity date. Annuity benefits are accounted when due. Surrenders are accounted as and when notified. Claims cost consist of the policy benefit amounts and claims settlement costs, where applicable. Claims recovered or recoverable from reinsurer are accounted in the same period as that of the related claims. Withdrawals under unit linked policies are accounted in respective schemes when the associated units are cancelled.

(b) Funds for Future Appropriation For Insurance Company :

The balance in this account represents the amounts estimated by the Appointed Actuary as Funds for Future Appropriation (FFA) – Linked, required to be set aside in the Balance Sheet and are not available for distribution to shareholders until the expiry of the revival period.

(c) Loans against policies :

Loans against policies are valued at the aggregate of book values (net of repayments) plus capitalised interest (accrued and due) and are subject to impairment, if any.

(d) Policy Liabilities pertaining to Insurance Company :

Liabilities on life policies are determined by the Appointed Actuary using generally accepted actuarial practice in accordance with the Standards and Guidance Notes established by the Institute of Actuaries of India, the requirement of the Insurance Act, 1938 as amended by the Insurance law (Amendment Act.) 2015, and the regulations issued by the IRDA. The actuarial assumptions are given below.

Actuarial Method and Assumptions for Insurance Company :

The actuarial method and the assumptions used in the valuation as at March 31, 2015 are stated below:

- (a) Liabilities on life policies are determined by the Appointed Actuary as per the provision of IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000 and using generally accepted actuarial principles and in accordance with the Standards and Guidance Notes issued by the Institute of Actuaries of India with the concurrence of Insurance Regulatory and Development Authority (IRDA);
- (b) In case of non-linked business, Gross Premium Valuation Reserve Method is used to calculate the liabilities with respect to expenses, mortality and other claims including bonus if any; negative reserves are eliminated at policy level;
- (c) For Linked business, unit value as on the valuation date is kept as unit reserve and discounted cash flow approach is used to determine non-unit reserves as per IRDA guidelines subject to minimum of Unearned charges;
- (d) For Non-Linked Pension Business, liability has been calculated using the bonus rate on Policy Holder's Pension Fund Account. Policyholder pension fund account is calculated using the premiums accumulated with past bonuses declared;

1.4 Significant Accounting Policies: (contd.)

- (e) For Riders reserves, liabilities have been calculated as higher of Gross premium valuation reserve method and unearned premium method;
- (f) For Group Term insurance, reserves are calculated using the Unexpired Risk Reserve (URR) methodology including Expense Reserves;
- (g) For Group Credit Suraksha, Gross Premium Valuation Reserve method has been used;
- (h) For Non Linked Group Gratuity, Group Superannuation and Group Leave Encashment plans, contributions net of withdrawals is being accumulated using the crediting rate which is calculated as yield less expenses;
- (i) For the Non Linked Variable Insurance products - Group Gratuity and Group Leave Encashment plans, contributions net of withdrawals is being accumulated using the crediting rate as declared quarterly in advance;
- (j) For Non Linked Variable Insurance product Group Superannuation – contributions net of withdrawals is being accumulated at a minimum floor rate (guaranteed rate of return) of 1% pa. Additional earnings over and above the minimum floor rate, if any, is shared through annual bonus at the end of the financial year. The annual declared bonus amount will be credited to the policy account;
- (k) For Free look cancellation reserves (both Non Linked and Linked products) - An explicit reserve is held for policies that may exercise free look cancellation option. A certain proportion of the new business premiums received in the last 15 days of the month is held as a provision. The proportion is derived as the maximum ratio of the premiums cancelled during the free look period in each of the last 12 months of the financial year over the corresponding total new business premium received in those months.

Valuation assumptions are based on mix of pricing assumptions which are derived from industry experience and based on own projection and assessment duly adjusted for Margin for Adverse Deviation as per relevant Standards and Guidance Notes issued by the Institute of Actuaries of India.

Following are basis for Gross Premium Reserve method for Individual Non-linked business.

Interest rate:

6.65% per annum for 1st five years and 5.80% thereafter for participating business
 5.65% per annum for 1st five years and 4.80% thereafter for non-participating business and non-unit reserves under unit linked business.

Mortality: Based on published mortality table - Indian Lives Mortality 2006-08 suitably adjusted to reflect actual experience.

Morbidity: For critical illness it is based on CIBT-93 table with adjustment to reflect expected experience. For other accidental riders it is a flat rate independent of age.

Expense inflation: 4% per annum.

Commission: As per the provision under the relevant plan approved by IRDA.

Expenses: Appropriate assumptions are made based on the long term expenses projected in the business plan with allowance for adverse deviation.

Future Bonus rates: For participating business, future bonus rate assumptions are consistent with the Bonus earning capacity and Policyholders' Reasonable Expectations

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.1 Share Capital

Particulars	As at	As at
	31st March, 2015	31st March, 2014
	₹	₹
Authorised		
30,000,000 (previous year 30,000,000) Equity shares of ₹ 10 each	300,000,000	300,000,000
5,000,000 (previous year 5,000,000) Preference shares of ₹ 10 each	50,000,000	50,000,000
Issued, subscribed and paid-up:		
22,547,550 (previous year 21,827,550) Equity shares of ₹ 10 each [Included above are 9,777,550 (Previous year: 9,777,550) equity shares] represented by 4,888,755 (Previous year: 4,888,755) Global Depository Shares "GDS	225,475,500	218,275,500
Nil (previous year 720,000) 10% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each fully paid-up	-	7,200,000
Total	225,475,500	225,475,500

(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 31st March, 2015		As at 31st March, 2014	
	No. of shares	₹	No. of shares	₹
Opening Balance	21,827,550	218,275,500	20,777,550	207,775,500
Add:- Conversion of CCPS to equity shares	720,000	7,200,000	1,050,000	10,500,000
Closing balance	22,547,550	225,475,500	21,827,550	218,275,500

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 share premium of ₹ 3,279,831,225). The GDSs are listed on Luxembourg Stock Exchange.

10% Compulsorily Convertible Preference Shares	As at 31st March, 2015		As at 31st March, 2014	
	No. of shares	₹	No. of shares	₹
Opening Balance	720,000	7,200,000	1,770,000	17,700,000
Less:- Conversion of CCPS to equity shares	720,000	7,200,000	1,050,000	10,500,000
Closing balance	-	-	720,000	7,200,000

During the year 2012-13, the Company had allotted 2,770,000 10% Compulsorily Convertible Preference Shares of ₹ 10 each on a preferential basis to companies in the promoter group at a price of ₹ 350/- per share. The closing balance of 720,000 CCPS as on 31st March 2014 was converted to equity shares on 3rd April 2014.

(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. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all claims/liabilities and preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Rights, preferences and restrictions attached to preference shares

The Preference Shares shall rank for capital and dividend (including all dividends undeclared upto the commencement of winding up) and for repayment of capital in a winding up pari passu inter se and in priority to the Equity Shares of the Company, but shall not confer any further or other right to participate either in profits or assets.

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

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N. N. Financial Services Private Limited	7,087,960	31.44	6,637,960	30.42
Nimbus India Limited	2,183,427	9.63	1,913,427	8.77
Life Insurance Corporation of India	1,225,017	5.43	1,225,017	5.61
The Bank of New York Mellon (Depository for GDS holders)*	9,777,550	43.36	9,777,550	44.79

* The Company does not have the details of the individual holders.

(e) Preference shares held by each shareholder holding more than 5% preference shares in the Company are as follows:

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N. N. Financial Services Private Limited	-	-	450,000	62.50
Nimbus India Limited	-	-	270,000	37.50

- (f) 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.

(g) Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000

(i) Regarding issue of preference shares:

Particulars	During the year ended	
	31st March, 2015	31st March, 2014
	₹	₹
Unutilised monies	7,918,029	277,918,029
Purpose for which the money received has been utilized :		
a. Loans given to entities under significant influence	7,918,029	250,000,000
b. Loans given to an associate, World Resort Limited	-	20,000,000
	7,918,029	270,000,000
Balance Unutilised monies	-	7,918,029
Unutilised money as on March 31, 2014 is invested in Fixed Deposit.		



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(ii) Regarding issue of Global Depository Shares:

Particulars	During the year ended	
	31st March, 2015	31st March, 2014
	₹	₹
Unutilised monies	-	594,044,940
Purpose for which the money received has been utilized :		
a. Amount paid to Pantaloon Retail India Ltd. (now known as Future Retail Ltd.) for acquiring their equity stake of 22.5% in Future Generali India Life Insurance Company Ltd. (See note no. 2.35)	-	594,044,940
Balance Unutilised monies	-	-

2.2 RESERVES AND SURPLUS

Particulars	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
Capital Reserve		
Balance as per last Consolidated Balance Sheet	750	750
Capital reserve on consolidation		
Balance as per last Consolidated Balance Sheet	702,000	702,000
Capital Redemption Reserve		
Opening balance	15,000,000	-
Add: Transfer from Surplus in the Consolidated Statement of Profit and Loss	-	15,000,000
Closing balance	15,000,000	15,000,000
Fair Value Change	(2,726,031)	656
General Reserve		
Opening balance	195,597,506	177,278,048
Add: Transfer from Surplus in the Consolidated Statement of Profit and Loss	-	18,319,458
Closing balance	195,597,506	195,597,506
Special Reserve (as per the RBI regulations)		
Opening balance	303,125,731	275,086,961
Add: Transfer from Surplus in the Consolidated Statement of Profit and Loss	6,264,292	28,038,770
Closing balance	309,390,023	303,125,731
Securities Premium Account		
Balance as per last Consolidated Balance Sheet	4,186,487,469	4,186,487,469
Surplus in Consolidated Statement of Profit and Loss		
Opening balance	310,930,682	402,640,285
Add: Profit for the year	15,379,946	16,675,640
Add: Reversal of excess tax on dividend of previous year	-	5,256,050
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax ₹ 119,792) (See Note 2.36)	1,422,670	-

Less: Dividend proposed to be distributed to equity shareholders (₹ 1.00 per share, previous year ₹ 1.75 per share)	22,543,605	37,135,986
Less: Dividend proposed to be distributed to CCPS shareholders (₹ 1.00 per share, previous year ₹ 1.00 per share)	3,945	1,326,986
Less: Tax on dividend	4,590,230	13,820,093
Less: Short Provision of dividend distribution tax for prior Years	1,970,352	-
Transferred to:		
- General Reserve	-	18,319,458
- Special Reserve	6,264,292	28,038,770
- Capital Redemption Reserve	-	15,000,000
Closing balance	289,515,534	310,930,682
Total	4,993,967,251	5,011,844,794

* Reversal of excess tax on dividend on account of dividend received from a subsidiary company on which dividend tax is paid by it under section 115-O of the Income Tax Act, 1961 during the financial year 2013-2014.

2.3 Long Term Borrowings

Particulars	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
Term Loans:		
From banks (Secured)		
Loan from Axis Bank Ltd.	39,171,000	49,167,000
From other parties		
Vehicle Loan from Kotak Mahindra Prime Limited (Secured)	1,881,460	-
Others (Unsecured)	55,000,000	15,000,000
	96,052,460	64,167,000
Less: Current maturities of long-term debt (See Note 2.8)	10,746,065	9,996,000
Total	85,306,395	54,171,000

Notes :

Details of terms of repayment and security provided:

Particulars	Terms of Repayment	Security Provided
Axis Bank Ltd.	59 Equated Monthly Installments (EMI) each of ₹ 833,333 & last installment of ₹ 853,000; Number of Installments outstanding as at 31st March, 2015: 47 (As at 31st March 2014: 59)	Secured by equitable mortgage on Immoveable Property.
Kotak Mahindra Prime Limited	35 Equated Monthly Installments (EMI) each of ₹ 76,133; Number of Installments outstanding as at 31st March, 2015: 28 (As at 31st March 2014: Nil)	Secured by hypothecation of the vehicle purchased from the loan.
Other - Viksit Trexim Pvt. Ltd.	On or before maturity of term loan period three years.	Demand Promissory Note.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.4 Other long-term liabilities

Particulars	As at	As at
	31st March, 2015	31st March, 2014
	₹	₹
Trade payables (Acceptances)		
- Premium for development rights	907,250,979	1,150,599,148
- Retention money	30,969,331	21,982,993
Others		
- Security Deposits	4,750,000	-
- Interest Free Maintenance Security	22,697,219	17,773,839
Total	965,667,529	1,190,355,980

2.5 Long-term provisions

Particulars	As at	As at
	31st March, 2015	31st March, 2014
	₹	₹
Provision for employee benefits - Compensated absences	5,761,019	8,847,562
Provision for employee benefits - Gratuity (See Note 2.32)	2,188,819	1,795,502
Total	7,949,838	10,643,064

2.6 Short-term borrowings

Particulars	As at	As at
	31st March, 2015	31st March, 2014
	₹	₹
Loans repayable on demand		
From other parties (Unsecured)	18,000,000	147,677,500
Loan and advances		
From related parties (Unsecured) (See Note 2.31)	190,000,000	-
Total	208,000,000	147,677,500

2.7 Trade payables

Particulars	As at	As at
	31st March, 2015	31st March, 2014
	₹	₹
Trade Payables	310,827,900	189,607,112
Premium for development rights	468,032,092	224,813,994
Retention money	6,062,961	5,489,558
Others	418,894	619,110
Total	785,341,847	420,529,774

2.8 Other current liabilities

Particulars	As at	As at
	31st March, 2015	31st March, 2014
	₹	₹
Current maturities of long-term debt (See Note 2.3)	10,746,065	9,996,000
Unpaid dividends *	4,198,433	4,129,452
Interest accrued and due on borrowings	5,853,100	967,648
Other payables		
- Lease Rent Payable	5,382,926	-
- Security deposits received	85,367,288	54,788
- Statutory remittances	18,243,637	31,844,214
- Interest free maintenance security received from customers	9,011,086	548,030
- Advances received from customers (including the progress billings for which amounts are not received)	1,255,018,619	1,336,138,649
- VAT payable to customer	6,248,724	-
- Advance for Sale of Land	84,259,538	60,509,538
- Others	52,389,738	28,324,099
Total	1,536,719,154	1,472,512,418

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

2.9 Short term provisions

Particulars	As at	As at
	31st March, 2015	31st March, 2014
	₹	₹
Provision for employee benefits:		
Compensated absences	2,528,710	2,704,463
Gratuity (See Note 2.32)	754,137	521,502
	3,282,847	3,225,965
Provision - Others:		
Income Tax (net of advance tax)	3,709,741	17,909,739
Contingent Provision against Standard Assets	1,938,000	1,715,000
Proposed equity dividend	22,543,605	37,135,986
Proposed preference dividend	3,945	1,326,986
Tax on proposed dividend	7,760,455	7,736,655
Total	39,238,593	69,050,331

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.10 Fixed assets	GROSS BLOCK						DEPRECIATION AND AMORTISATION						NET BLOCK	
	As at 1st April, 2014	Acquired during the year on acquisition of interest in a Joint Venture	Additions	Disposals	As at 31st March, 2015	As at 1st April, 2014	Acquired during the year on acquisition of interest in a Joint Venture	Transition adjustment recorded against Surplus balance in a statement of Profit and Loss (see note 2.36)	For the year*	On disposals	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
TANGIBLE														
Buildings	109,463,520	-	-	-	109,463,520	10,855,955	-	-	4,749,672	-	15,605,627	93,857,893	98,607,565	
Leasehold improvement	(9,100,000)	-	575,747	-	(8,524,253)	(5,666,083)	-	-	(5,189,872)	-	(10,855,955)	(98,607,565)	(3,433,917)	
Furniture and fixtures	4,880,662	-	175,997	1,278,323	3,778,336	2,168,481	-	2,168	478,398	918,116	1,730,931	2,047,405	2,712,181	
Vehicles	(3,608,171)	-	(1,388,434)	(115,943)	(4,880,662)	(1,798,439)	-	-	(420,353)	(50,311)	(2,168,481)	(2,712,181)	(1,808,732)	
	5,121,540	-	4,431,732	928,310	8,624,962	2,587,010	-	-	1,576,502	418,455	3,745,057	4,879,905	2,534,530	
	(3,882,138)	-	(563,109)	-	(4,445,247)	(1,377,063)	-	-	(701,229)	-	(2,587,010)	(2,534,530)	(2,505,075)	
Plant and machinery	1,060,516	-	-	-	1,060,516	180,976	-	-	127,803	-	308,779	751,737	879,540	
	(312,041)	-	(748,475)	-	(1,060,516)	(67,887)	-	-	(113,089)	-	(180,976)	(879,540)	(244,154)	
Office equipment	5,131,714	-	618,370	741,846	5,008,238	2,324,546	-	-	1,137,907	422,875	3,369,768	1,638,470	2,807,168	
	(6,890,456)	-	(289,461)	(2,162,503)	(5,131,714)	(3,368,920)	-	-	(549,967)	(1,607,299)	(2,324,546)	(2,807,168)	(3,521,536)	
Computers	11,991,530	-	921,233	1,352,329	11,560,434	9,575,483	-	649,845	1,004,479	1,248,969	9,980,839	1,579,595	2,416,047	
	(11,519,751)	-	(395,180)	(426,667)	(11,991,530)	(8,500,709)	-	-	(1,284,564)	(273,368)	(9,575,483)	(2,416,047)	(3,019,041)	
Sub-total	137,649,482	-	6,723,079	4,300,808	140,071,753	27,692,451	-	982,203	9,107,332	3,008,415	34,773,572	105,298,181	109,957,031	
	(35,312,557)	-	(103,748,179)	(2,705,113)	(137,649,482)	(20,779,101)	-	-	(8,259,074)	(1,930,978)	(27,692,451)	(109,957,031)	(14,533,455)	
INTANGIBLE														
Computer software	60,465,081	-	6,606,799	76,513	66,995,367	52,765,986	-	560,259	6,325,793	76,113	59,575,925	7,419,442	7,699,094	
	(4,766,883)	-	(1,043,064)	(56,492)	(60,465,081)	(2,755,799)	-	-	(2,047,588)	(35,434)	(52,765,987)	(7,699,094)	(2,011,084)	
Sub-total	60,465,081	-	6,606,799	76,513	66,995,367	52,765,986	-	560,259	6,325,793	76,113	59,575,925	7,419,442	7,699,094	
	(4,766,883)	-	(1,043,064)	(56,492)	(60,465,081)	(2,755,799)	-	-	(2,047,588)	(35,434)	(52,765,987)	(7,699,094)	(2,011,084)	
Total	198,114,563	-	13,329,878	4,377,321	207,067,120	80,458,437	-	1,542,462	15,433,124	3,084,528	94,349,497	112,717,623	117,656,125	
Previous year	(40,079,440)	-	(104,791,243)	(2,761,605)	(198,114,563)	(23,534,900)	-	-	(10,306,662)	(1,966,412)	(80,458,438)	(117,656,125)	(16,544,539)	

* Includes ₹ 317,523 (Previous year ₹ 314,087) depreciation on site Assets which has been charged as cost of construction and depreciation amounting to ₹ 5,849,000 (previous year ₹ 1,101,092) shown under other expenses pertaining to Insurance Business.

Figures in brackets are the corresponding figures of the previous year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.11 Non-current investments

Particulars	As at	
	31st March, 2015	31st March, 2014
	₹	₹
(I) Trade Investments-(valued at cost)		
(A) Investment in Equity Instruments (fully paid-up):		
- of associate, unquoted [See Note 2.34 (ii)]	116,823,620	133,710,824
Total (A)	116,823,620	133,710,824
(B) Investment in Preference Shares (fully paid-up)		
- of associate, unquoted		
10% Cumulative Redeemable Preference shares	250,000,000	250,000,000
14% Non Convertible Cumulative Redeemable Preference shares	250,000,000	250,000,000
10% Optionally Convertible Cumulative Redeemable Preference shares	75,000,000	75,000,000
Total (B)	575,000,000	575,000,000
Total - Trade (A)+(B)	691,823,620	708,710,824
(II) Other investments		
Investment property (valued at cost less accumulated depreciation)		
Immovable property (cost)	48,724,436	48,724,436
Less: Accumulated depreciation	(897,185)	(888,232)
	47,827,251	47,836,204
Investment in Equity Instruments (fully paid-up):		
- of other entities, quoted	150,747,842	186,536,162
Less: Provision for diminution in the value of investments	(98,574,275)	(85,563,526)
	52,173,567	100,972,636
Of Insurance Company		
Government Securities	1,985,385,595	1,634,045,769
Equity Shares	118,324,722	4,851,930
Other approved securities - other than Infra & Social Sector	65,947,636	84,119,819
Discount on Other approved securities - other than Infra & Social Sector	-	150,423
Debentures	1,656,528,302	1,355,188,213
Infrastructure/Social Sector Bonds	16,773,547	16,057,870
	3,842,959,802	3,094,414,024
	3,942,960,620	3,243,222,864
Total	4,634,784,240	3,951,933,688

Particulars	As at March 31, 2015	As at March 31, 2014
Investment related to Policy Holders	3,338,537,022	2,552,832,020
Investment related to shareholders	504,422,780	541,581,004
	3,842,959,802	3,094,413,024

2.12 Deferred taxes

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Assets	Liabilities	Assets	Liabilities
	₹	₹	₹	₹
On difference between book balance and tax balance of fixed asstes	1,160,004	-	16,139	-
Items covered under section 43B of the Income tax Act, 1961	1,211,554	-	2,047,928	-
Provision for doubtful loans	-	-	1,529,550	-
Provisions for Bad and doubtful debts	2,020,955	-	2,122,003	-
Contingent Provision against Standard Assets	640,761	-	582,929	-
Business Loss	-	-	272,414	-
Total	5,033,274	-	6,570,963	-



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.13 Long-term loans and advances

(unsecured, considered good, unless otherwise stated)

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Security deposits:		
- With a related party (See Note 2.31)	560,500	515,500
- With others	63,758,185	73,350,474
Advance income tax (net of provisions)	39,824,230	34,797,103
Balances with government authorities		
- Vat input credit	2,078,762	5,182,538
Other loans and advances		
- Recoverable from Greater Noida Industrial Development Authority*	4,493,892	-
- Debit balance in gratuity fund (See Note 2.32)	707,291	477,220
- Advances for supply of goods and services	979,785	1,182,477
- Loan to PolicyHolder	3,367,750	1,924,586
- Loans to others (considered doubtful)	-	4,500,000
- Less : Provision for doubtful loans	-	(4,500,000)
	-	-
Total	115,770,395	117,429,898

*Tax was deducted on interest paid for Land Premium installments payable to Greater Noida Industrial Development Authority (GNIDA). As per GNIDA tax is not deductible on interest paid to them, however, the IITLPL has deducted and paid the tax amount to the income tax authorities. At the time of obtaining occupancy certificate, the IITLPL had to pay to GNIDA, the amount of equivalent to the TDS deducted, as it was construed as short payment. The IITLPL is in discussion with GNIDA, pending resolution the amount has been shown as recoverable from GNIDA.

2.14 Other Non-current assets
(unsecured, considered good)

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Bank deposits with more than 12 months maturities *	18,042,918	18,042,918
Interest accrued on bank deposits	540,845	260,323
Total	18,583,763	18,303,241
* Deposits pledged against guarantee given by bank	15,547,631	15,547,631

2.15 Current investments

(valued at lower of cost and fair value)

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Of Insurance company		
- Corporate Securities - Mutual Funds	51,290,844	13
- Government Securities	402,300,720	377,524,882
- Treasury Bills	77,861,585	22,489,140
- Debentures	462,833,659	624,701,343
- Equity Shares	987,161,570	1,068,239,518
- Other Assets (ULIP)	83,004,431	231,968
Total	2,064,452,809	2,093,186,864

Particulars	As at 31st March, 2015	As at 31st March, 2014
Investment related to Policy Holders	131,647,210	74,742,015
Investment to cover linked liabilities	1,929,595,398	1,995,861,980
Investment related to shareholders	3,210,201	22,582,869
Total	2,064,452,809	2,093,186,864

2.16 Inventories

(at lower of cost and net realisable value)

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Construction materials	-	28,748
Construction work-in-progress	3,190,812,495	2,782,738,239
Total	3,190,812,495	2,782,766,987

2.17 Trade receivables

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Outstanding for a period exceeding six months from the date they were due for payment		
- Unsecured, considered good	154,079,422	82,696,236
- Doubtful	7,515,789	6,540,307
	161,595,211	89,236,543
- Less: Provision for doubtful trade receivables	7,515,789	6,540,307
	154,079,422	82,696,236
Other Trade receivables		
- Unsecured, considered good	304,002,204	412,578,746
Total	458,081,626	495,274,982



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.18 Cash and cash equivalents

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Cash on hand	12,132,727	12,728,553
Cheques on hand	27,193,745	206,150
Balances with banks		
- In current accounts	146,444,057	102,642,971
- In deposit accounts with original maturity upto 3 months	10,311,096	88,815,214
- Others (Balance in foreign currency travellers cards)	237,543	-
	196,319,168	204,392,888
Other bank balances:		
- In deposit accounts with original maturity of more than 3 months but upto 12 months*	78,433,890	295,915,113
- In deposit accounts with original maturity upto 3 months **	5,966,153	-
- In deposit accounts with original maturity of more than 12 months	13,000,000	-
- In earmarked accounts - unpaid dividend accounts	4,198,433	4,129,451
	101,598,476	300,044,564
Total	297,917,644	504,437,452

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is 196,319,168 204,392,888

* Deposits pledged against guarantee given by bank - 9,709,388

** This amount represents deposit collected from customers towards possible VAT liability on sale of flats.

2.19 Short-term loans and advances (unsecured, considered good)

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Loans and advances to related parties (See Note 2.31)		
Loans to joint ventures	285,581,608	292,500,000
Loan to entity under significant influence	30,000,000	15,000,000
Loan to an associate	30,000,000	20,000,000
	345,581,608	327,500,000
Other loans and advances		
Security deposits	5,230,359	6,123,931
Advances for supply of goods and services	145,398,486	92,564,898
Advance towards annual lease rent	5,382,928	5,382,926
Prepaid expenses	6,955,951	8,189,592
Advance payment of income tax (net of provisions)	6,626,732	5,528,833
MAT credit entitlement	3,615,989	4,613,474
Balances with government authorities		
- Deposit under protest to Income Tax Authority	1,575,000	1,575,000
- Service tax receivable	55,684,201	42,367,379
- VAT recoverable	299,610	2,510,855
Advances to others	18,230,632	19,622,940
	248,999,888	188,479,828
Total	594,581,496	515,979,828

2.20 Other current assets (unsecured, considered good unless otherwise stated)

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Unbilled revenue	4,222,605	65,658,498
Interest accrued on:		
- bank deposits	6,171,827	11,350,327
- loans to policyholder	315,648	77,434
- Investments	151,479,320	139,982,314
- loans	11,666,524	713,358
Income accrued on Other Securities	-	1,865,253
Others	1,746,453	1,628,584
Total	175,602,377	221,275,768

2.21 Revenue from operations

Particulars	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
Interest [See Note 2.21 (a)]	58,178,767	99,272,533
Other financial services [See Note 2.21 (b)]	260,210	5,964,618
Revenue from real estate projects [See Note 2.21 (c)]	990,991,621	1,189,987,239
Sale of services [See Note 2.21 (d)]	15,776,664	75,869,179
Other operating revenue [See Note 2.21 (e)]	1,386,793	16,797,791
Total	1,066,594,055	1,387,891,360

2.21 (a) Interest

On deposits with banks	6,708,578	56,669,381
On loans	51,470,189	42,603,152
Total	58,178,767	99,272,533

2.21 (b) Other financial Services

Dividend income - on long-term investments	260,210	365,976
Dividend income - on current investments	-	5,598,642
Total	260,210	5,964,618

2.21 (c) Revenue from real estate projects

Income from Sale of flats	990,991,621	1,189,987,239
Total	990,991,621	1,189,987,239

2.21 (d) Sale of services

Brokerage:		
- from insurance services	15,776,664	75,592,533
- on shares and mutual funds	-	276,646
Total	15,776,664	75,869,179

2.21 (e) Other operating income

Rent on immovable property	-	15,588,085
Others	1,386,793	1,209,706
Total	1,386,793	16,797,791



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.22 Other income

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	₹	₹
Interest income:		
- On deposits with banks	22,574,301	27,092,779
- On income tax refund	569,486	2,952,457
- Interest received from customers for late payment	4,210,582	3,270,559
Dividend income on current investments	-	2,811,003
Net gain on sale of current investments	-	847,957
Other non-operating income:		
- Liability no longer required written back	1,927,842	774,993
- Miscellaneous income	4,883,375	3,854,192
	34,165,586	41,603,940
Less: Interest income on bank deposits transferred to inventories	(2,432,878)	(6,086,998)
Total	31,732,708	35,516,942

2.23 Cost of sales

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	₹	₹
Opening balance of construction works in progress	2,782,738,239	2,693,536,569
Opening balance of material at site	28,748	653,503
	(A) 2,782,766,987	2,694,190,072
Add: Expenses incurred during the year		
land and development right	204,079,408	123,786,148
Material, structural, labour and contract cost	903,922,051	961,457,517
other project cost	40,040,581	13,744,705
employee benefit expense	7,602,466	8,322,904
Depreciation	317,523	314,087
Other expenses	30,407,831	6,670,527
Interest and finance charges	91,383,423	59,401,146
	1,277,753,283	1,173,697,034
Less: Interest income on bank deposits	(2,432,878)	(6,086,998)
	(B) 1,275,320,405	1,167,610,036
Less:		
Closing balance of construction works in progress	3,190,812,495	(2,782,738,239)
Closing stock of Material at site	-	(28,748)
	(C) 3,190,812,495	(2,782,766,987)
(A+B+C)	867,274,897	1,079,033,121

2.24 Employee benefits expense

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	₹	₹
Salaries and wages	47,294,450	63,631,884
Contribution to provident and other funds (See Note 2.32)	2,041,127	4,598,278
Staff welfare expenses	2,273,080	2,267,549
	51,608,657	70,497,711
Less: Employee benefits transferred to Inventories	(7,602,466)	(8,322,904)
Total	44,006,191	62,174,807

2.25 Finance cost

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	₹	₹
Interest expense on loans	92,685,440	51,421,979
Interest on delayed / deferred payment of income tax	396,861	8,904,848
Other borrowing cost	4,068,650	965,790
	97,150,951	61,292,617
Less: Interest and finance charges transferred to Inventories	(91,383,423)	(59,401,146)
Total	5,767,528	1,891,471

2.26 Other expenses

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	₹	₹
Power and fuel	2,884,135	2,216,168
Rent including lease rentals (See Note 2.28)	7,151,651	8,936,120
Insurance	1,025,142	908,648
Repairs and maintenance:		
- Buildings	4,325,900	2,306,860
- Computers	486,919	364,138
- Plant & Machinery	80,790	70,158
- Office equipment	43,796	894,819
- Others	2,914,670	1,901,063
	7,852,075	5,537,038
Rates and taxes	745,967	1,545,083
Travelling and conveyance	6,035,285	7,620,508
Printing and stationery	676,756	849,519
Communication expenses	2,269,084	3,312,559
Legal and professional fees	11,233,780	8,311,783
Directors' fees	3,855,824	2,949,898
Membership fees	1,737,458	911,991
Payments to auditors (See Note 2.29)	3,948,093	3,746,621
Brokerage and commission	16,820,918	44,800,240
Advertisement and marketing expenses	4,353,471	5,572,170
Office expenses	965,084	-
Service tax/VAT paid	1,116,730	-
Business promotion	1,313,372	908,392
Loss on sale of fixed assets / written off	671,907	704,202
Preliminary expenses	121,390	-
Provision for bad debts	975,482	6,540,307
Net loss on sale of current investment/Mutual fund	-	163,524
Expenditure on Corporate Social Responsibility	2,100,000	-
Site Expenses	1,806,526	-
Compensation for delayed in possession (net) write down on reclassification of investment (net)	24,908,964	-
Loan Written Off	-	48,840
Less : Provision held	(4,500,000)	-
	-	-
Miscellaneous expenditure	3,951,687	6,959,094
	108,520,781	112,542,705
Less: Other expenses transferred to inventories	(30,407,831)	(6,670,527)
Total	78,112,950	105,872,178

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.27 Contingent liabilities and commitments not provided for

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(i) Contingent liabilities:		
(a) Claims against the Group not acknowledged as debt		
- Disputed income-tax matters in appeal	13,101,449	13,268,716
- Disputed wealth-tax matter in appeal	3,250,246	3,250,246
- Disputed property tax in appeal *	24,869,855	24,869,855
- Disputed entry tax matter in appeal	-	1,757,699
- Claims filed with District Consumer Dispute Redressal Forum**	594,510	-

In respect of above items, outflow of resources would depend upon the outcome of the appeal.

* Disputed property tax levied by Mumbai Municipal Corporation based on enhanced ratable value for the period 1st April 2007 to 31st March 2010 in respect of the Company's Investment Property; the Co-operative Society of the Investment Property is acting as an intervener in a petition with the Supreme Court on the matter. The said disputed property tax is recoverable from the ex-Licensee as per the Leave and License Agreements entered into between them and the Company.

** Claims made by Insurance policy holders against the Insurer wherein IITBRMPL was made a party to the dispute being brokers for the policies sold.

- Few buyers of residential units have lodged a complaint during the year with the National Consumer Disputes Redressal Commission (NCDRC), alleging failure by IITLPL to comply with the terms of the Builder Buyer Agreement, and are seeking compensation. The matter has been listed for admission /hearing /directions, by NCDRC, in September, 2015. IITLPL perceives the said complaint as misconceived and not tenable, and does not foresee any financial impact, as of now.

Also refer note 2.34 (a)(i) and (iii)

(b) Guarantees

- Guarantees given by Parent Company to banks on behalf of associate company *

* The Company has received counter-guarantees from other parties amounting to ₹ 190,050,000 (previous year ₹ 190,050,000) against the aforesaid guarantees given by the Company to the banks. The outstanding amount of loan availed by the associate company as at 31st March 2015 is ₹ 142,563,425 (as at 31st March 2014 ₹ 180,564,848).

Also refer note 2.34 (a)(ii)

(ii) Commitments :

Capital Commitments :

Estimated amount of contracts remaining to be executed on capital account, to the extent not provided for (net of advances): ₹ Nil (Previous Year ₹ 75,719).

Also refer note 2.34 (b)

Other Commitments :

Non-cancellable contractual commitments - See Note 2.28

Also refer note 2.34 (c)

2.28 The Group has taken office premises and residential premises on operating lease. There are no restrictions imposed by the lease arrangements. There are no sub leases. The lease rental expense recognised in the Consolidated Statement of Profit and Loss for the year is ₹ 83,313,179 * (previous year: ₹ 29,609,957).

The future minimum lease payments under non-cancellable operating leases for each of the following periods:

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Not later than one year	30,697,150	76,452,300
Later than one year but not later than five years	83,920,500	132,895,975
Later than five years	6,045,075	41,725,350
Total	120,662,725	251,073,625

* This amount includes Rent of ₹ 76,161,528 (previous year ₹ 20,673,837) pertaining to FGLICL which is included in Other expense pertaining to Insurance Business in the Consolidated Statement of Profit and Loss.

2.29 Payments to auditors

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
For statutory audit	2,444,313	1,504,783
For other services	1,994,250	2,026,333
Reimbursement of expenses	64,500	20,012
Service tax	203,631	347,442
Total	4,706,694#	3,898,570#

This amount includes payment to auditors of ₹ 758,600 (previous year ₹ 151,949) pertaining to FGLICL which is included in Other expense pertaining to Insurance Business in the Consolidated Statement of Profit and Loss.

2.30 Basic earnings per share have been calculated by dividing profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Values used in calculating earnings per share are as under:

Particulars	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
(a) Profit for the period	15,379,946	16,675,640
(b) Less: Adjustment for dividend and dividend distribution tax on CCPS	4,748	1,552,508
(c) Net amount available for equity shareholders	15,375,198	15,123,132
(d) Weighted average number of equity shares used in computing Basic Earnings per share (Nos.)	22,543,605	21,220,564
(e) Effect of weighted average of potential equity shares on conversion of CCPS (Nos.)	-	1,326,986
(f) Weighted average number of equity shares used in computing Diluted Earnings per share (Nos.)	22,543,605	22,547,550
(g) Basic earnings per share (Face value ₹ 10/-)	0.68	0.71
(h) Diluted earnings per share	0.68	0.71*

* Since the effect of the conversion of preference shares was anti-dilutive, it has been ignored and hence restricted to Basic.

2.31 Related party disclosures:

(i) Names of related parties and nature of related party relationship where control exists are as under:

Joint Ventures: Capital Infraprojects Private Limited
IITL Nimbus The Hyde Park Noida
IITL Nimbus The Express Park View
IITL Nimbus The Palm Village

Future Generali India Life Insurance Company Limited (w.e.f. 17th December, 2013)

Associate company: World Resort Limited

Entities over which the Company can exercise significant influence: MRG Hotels Limited

Companies in which directors can exercise significant influence: Nimbus Projects Limited
Nimbus India Limited

Key management personnel: Dr. B. Samal, Executive Chairman

(Of the Holding Company)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.31 Related party disclosures: (Contd.)

(ii) Balances outstanding / transactions with related parties:

(a) Key management personnel:

Nature of transactions	₹
Remuneration paid to Dr. B. Samal	4,524,000 (3,341,667)

Figures in brackets are the corresponding figures of the previous year.

(b) Other related parties:

Sr. No.	Nature of transactions	Joint Ventures ₹	Entities under significant influence ₹	Associate Company ₹
(I) Volume of transactions:				
(i)	Loans taken			
	- Nimbus Projects Limited		-	
	- Nimbus India Limited		199,000,000 (20,900,000)	
(ii)	Repayment of loan taken			
	- Nimbus Projects Limited		-	
	- Nimbus India Limited		9,000,000 (147,962,500)	
(iii)	Loans given			
	- IITL Nimbus The Express Park View (Other Venturer)	(52,500,000)	-	
	- IITL Nimbus The Hyde Park, Noida (Other Venturer)	22,000,000 (137,500,000)		
	- World Resort Limited			10,000,000 (20,000,000)
	- MRG Hotels Limited		15,000,000 (15,000,000)	
(iv)	Repayment of loans given			
	- IITL Nimbus The Palm Village (Other Venturer)	17,918,393 (66,937,500)		
	- IITL Nimbus The Hyde Park Noida (Other Venturer)	11,000,000 (55,000,000)		
(v)	Security deposit given towards premises on rent			
	- Nimbus Projects Limited		45,000 (47,500)	
(vi)	Contribution towards partnership firm			
	- Nimbus Projects Limited		-	
			(25,000,000)	
(vii)	Drawings from partnership firm			
	- Nimbus Projects Limited		-	
			(15,000,000)	
(viii)	Interest income			
	- IITL Nimbus The Express Park View (Other Venturer)	17,968,817 (9,188,939)		
	- IITL Nimbus The Palm Village (Other Venturer)	12,422,866 (15,747,842)		
	- IITL Nimbus The Hyde Park Noida (Other Venturer)	13,601,057 (7,786,644)		
	- World Resort Limited			3,384,071 (1,123,425)
	- MRG Hotels Limited		4,093,375 (569,795)	

Sr. No.	Nature of transactions	Joint Ventures ₹	Entities under significant influence ₹	Associate Company ₹
(ix)	Brokerage income			
	- Future Generali India Life Insurance Company Limited	12,017,318 (17,235,597)		
(x)	Finance cost			
	- Nimbus India Limited		6,428,707 (17,122,956)	
(xi)	Rent paid			
	- Nimbus Projects Limited		1,409,861 (47,500)	
(II) Balances at year-end				
(i)	Amount Payable at year-end			
	- Nimbus Projects Limited		16,647 (28,587)	
	- Nimbus India Limited		195,455,455 (-)	
(ii)	Amount receivable at year-end			
	- Nimbus Projects Limited (security deposit)	-	560,500 (515,500)	
	- IITL Nimbus The Express Park View (Other Venturer)	123,408,804 (119,437,500)		
	- IITL Nimbus The Palm Village (Other Venturer)	75,059,042 (90,562,500)		
	- IITL Nimbus The Hyde Park, Noida (Other Venturer)	96,746,655 (82,500,000)		
	- World Resort Limited			31,016,964 (20,654,661)
	- MRG Hotels Limited		30,994,488 (15,000,000)	
	- Future Generali India Life Insurance Company Limited	449,065 (4,403,305)		

Figures in brackets are the corresponding figures of the previous year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.32 Employee Benefits

(a) Defined Contribution Plan

Contribution to defined contribution plan, recognised in the Statement of Profit and Loss under 'Contribution to provident fund and other funds' in note 2.24 for the year are as under (₹ 11,191,275 (previous year ₹ 2,866,499) included in 'Commission and operating expenses pertaining to insurance business' in the Consolidated Statement of Profit and Loss) :

Particulars	31st March, 2015	31st March, 2014
	₹	₹
Employer's contribution to Regional Provident Fund Commissioner	12,399,242	4,355,214
Employer's contribution to Family Pension Fund	595,467	1,173,310
Employer's contribution to Employees' State Insurance Corporation	269,695	959,952
Employer's contribution to Superannuation Scheme	1,140,750	157,732
(b) Defined Benefit Plan	Gratuity (funded)	Gratuity (funded)
	31st March, 2015	31st March, 2014
	₹	₹
i Reconciliation of opening and closing balances of Defined Benefit Obligation		
Present value of Defined Benefit Obligation as at the beginning of the year	12,038,375	3,687,171
Acquired during the year on acquisition of interest in a Joint Venture equitable interest liability assumed by the company on transfer of an employee from group	-	6,185,179
Interest Cost	18,417	-
Current Service Cost	1,005,377	433,574
Benefits paid	1,785,124	1,872,531
Net Actuarial (Gain)/Loss	(3,116,467)	(382,837)
Present value of Defined Benefit Obligation as at the end of the year	(1,238,375)	242,757
	10,492,451	12,038,375
ii Reconciliation of fair value of Plan Assets		
Fair value of Plan Assets as at the beginning of the year	10,198,591	3,148,475
Expected return on Plan Assets	748,848	560,241
Acquired during the year on acquisition of interest in a Joint Venture	-	5,903,852
Net Actuarial Gain / (Loss)	-	6,597
Employer's Contribution	492,454	962,263
Benefits paid	(3,183,107)	(382,837)
Fair value of Plan Assets as at the end of the year	8,256,786	10,198,591
The Company expects to contribute ₹ 1,831,477 to its Defined Benefit Gratuity plan during the annual period beginning after the Balance Sheet date.		
The major categories of Plan Assets as a percentage of the fair value of total Plan Assets are as follows:		
Bank Balance	2.14%	1.67%
Funds maintained with Life Insurance Corporation of India	97.86%	98.33%
Note: The Group 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.		
iii Net assets / (liabilities) recognised in the Balance Sheet		
Present value of Defined Benefit Obligation	(10,492,451)	(12,038,375)
Fair value of Plan Assets	8,256,786	10,198,591
Net assets / (liabilities) recognised in the Balance Sheet	(2,235,665)	(1,839,784)
iv Components of Employer's Expenses		
Current Service Cost	1,785,124	1,872,531
Interest Cost	1,005,377	433,574

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.32 Employee Benefits (Contd.)

(b) Defined Benefit Plan	Gratuity (funded)	
	31st March, 2015	31st March, 2014
	₹	₹
Expected return on Plan Assets	(748,848)	(560,241)
Net Actuarial Loss/(Gain)	(1,238,375)	242,757
Total expense recognised in the Consolidated Profit and Loss Account in Note 2.24 under: 'Contribution to provident and other funds' (net of reversal of ₹ 199,646) (₹ 1,002,825 included in Commission and operating expenses pertaining to insurance business' in the Statement of Profit and Loss)."	803,278	1,988,621
Actual return on Plan Assets	748,848	560,241

v Actuarial Assumptions	Mortality Table	Indian Assured Lives Mortality (2006-08) Ultimate	
Discount rate		7.95 - 8.00 %	8.00 %
Expected rate of return on Plan Assets		8.50 - 9.96 %	8.75 - 10.00 %
Salary escalation		5.00 - 7.00 %	5.00 - 7.00 %

- vi a. The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
- b. The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency and terms of the post-employment benefit obligations.
- c. Expected rate of return on assets is determined based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

vii Net assets / (liabilities) recognised in the Balance Sheet as at respective year ends and experience adjustment:

	Gratuity				
	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012	31st March, 2011
	₹	₹	₹	₹	₹
1. Present Value of Defined Benefit Obligation	10,492,451	12,038,375	3,687,170	2,157,198	1,122,585
2. Fair Value of Plan Assets	8,256,786	10,198,591	3,148,472	1,779,851	1,299,935
3. Funded Status [Surplus / (Deficit)]	(2,235,665)	(1,839,784)	(538,698)	(377,347)	177,350
4. Experience adjustment arising on:					
a. Plan Liabilities (Gain)/Loss	(353,786)	2,036,694	886,547	(43,355)	(55,540)
b. Plan Assets (Gain)/Loss	308,364	34,965	16,631	35,506	9,804

viii The above information is as certified by the actuary and relied upon by the auditors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.33 Segment Information :

Primary Segment - Business Segment

₹

	2014-15							
	Investment activities	Insurance Broking	Real Estate activities	Investment Brokerage Services	Insurance Activities	Others	Eliminations	Total
A. REVENUE								
1 External Revenue	58,444,620	15,776,664	992,372,771	-	1,407,066,078	-	-	2,473,660,133
2 Inter-segment revenue	55,440,812	3,488,899	22,636,958	41,775	-	-	81,608,444	-
Segment Revenue	113,885,432	19,265,563	1,015,009,729	41,775	1,407,066,078	-	81,608,444	2,473,660,133
B. RESULTS								
1 Segment result	(11,434,094)	(16,858,412)	68,724,224	(1,632,737)	(882,217,309)	(92,982)	-	(843,511,311)
2 Interest expense *								9,938,576
3 Exceptional item								-
4 Unallocable Income net of Unallocable Expense								921,061,279
5 Profit before tax								67,611,392
6 Provision for taxation								(23,877,087)
7 Profit after tax (before adjusting minority interest)								43,734,305
8 Net Profit attributable to minority interest								(11,467,155)
9 Profit after tax (after adjusting minority interest)								32,267,150
10 Share of loss of associate for the year								(16,887,204)
11 Profit after tax (after adjusting share of loss of associate)								15,379,946
C. OTHER INFORMATION								
1 Segment assets	981,763,353	96,495,100	3,870,239,924	29,601,534	264,417,092	15,474	-	5,242,532,477
2 Unallocated Assets								9,275,476,518
3 Total assets								14,518,008,995
4 Segment liabilities	10,454,687	41,885,484	3,384,863,886	293,781	5,784,582,735	61,281	-	9,222,141,853
5 Unallocated liabilities								38,216,179
6 Total liabilities								9,260,358,032
7 Cost incurred during the period to acquire the Segment assets	3,712,882	50,088	503,396	-	9,063,512	-	-	13,329,878
8 Depreciation and amortisation expenses (to the extent allocable to segment)	2,881,444	5,786,943	928,580	-	5,849,000	-	-	15,445,967
9 Non cash Expenses other than depreciation/ amortisation	13,233,749	-	975,482	-	-	-	-	14,209,231

Includes amounts of FGILICL included under Commission and Operating expenses pertaining to Insurance Business.

Note:

The Group caters to the need of domestic market and hence there are no reportable geographical segments.

Type of services in each business segment:

Investment activities : Activites related to Investments Business.

Insurance Broking : Activites related to Insurance Broking.

Real Estate activities : Real Estate development and related activities.

Insurance activities : Life Insurance Business.

Others : Represents Marketing Management.

₹

	2013-2014							Total
	Investment activities	Insurance Broking	Real Estate activities	Investment Brokerage Services	Insurance Activities	Others	Eliminations	
A. REVENUE								
1 External Revenue	120,827,335	75,592,533	1,191,194,846	276,646	548,129,899	-		1,936,021,259
2 Inter-segment revenue	81,620,983	5,003,883		-			86,624,866	-
Segment Revenue	202,448,318	80,596,416	1,191,194,846	276,646	548,129,899	-	86,624,866	1,936,021,259
B. RESULTS								
1 Segment result	84,008,081	10,669,302	31,591,375	(1,487,877)	(255,541,295)	(117,897)	-	(130,878,311)
2 Interest expense *								5,527,316
3 Exceptional item								-
4 Unallocable Income net of Unallocable Expense								219,119,378
5 Profit before tax								82,713,751
6 Provision for taxation								(58,694,394)
7 Profit after tax (before adjusting minority interest)								24,019,357
8 Net Profit attributable to minority interest								595,695
9 Profit after tax (after adjusting minority interest)								24,615,052
10 Share of loss of associate for the year								(7,939,412)
11 Profit after tax (after adjusting share of loss of associate)								16,675,640
C. OTHER INFORMATION								
1 Segment assets	1,064,498,931	111,720,483	3,349,524,131	29,683,023	336,180,518	75,153		4,891,682,239
2 Unallocated Assets								8,782,774,555
3 Total assets								13,674,456,794
4 Segment liabilities	9,438,076	54,173,706	3,129,646,516	370,167	5,152,629,632	27,978		8,346,286,075
5 Unallocated liabilities								64,109,368
6 Total liabilities								8,410,395,443
7 Cost incurred during the period to acquire the Segment assets	441,491	101,587,610	2,257,311	-	7,927,030	-		112,213,442
8 Depreciation and amortisation expenses (to the extent allocable to segment)	1,714,060	6,380,559	1,120,469	-	1,101,091	-		10,316,179
9 Non cash Expenses other than depreciation/ amortisation	7,368,840	-	-	-	-	-		7,368,840

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.34 (i) Group's share of interest in the assets, liabilities, income and expenses with respect to jointly controlled entities (each without elimination of the effects of transactions between the Group and the jointly controlled entities) on the basis of audited financial statements of the jointly controlled entities as at and for the year/period (from the date of acquisition) ended 31st March, 2015:

(₹)

Particulars	31st March, 2015	31st March, 2014
RESERVES AND SURPLUS	(55,987,041)	(58,902,090)
NON-CURRENT LIABILITIES		
Long-term borrowings	55,000,000	15,000,000
Deferred tax liabilities (net)	-	12,327
Other long term liabilities	965,667,528	1,146,458,228
Policy Liabilities (Policyholder's Fund)	5,475,720,248	4,918,844,735
Long-term provisions	19,763,123	7,823,368
CURRENT LIABILITIES		
Short term borrowings	458,288,120	405,177,500
Trade payable	764,185,010	383,162,215
Other current liabilities		
-Policy Liabilities (Policyholder's Fund)	156,414,427	126,610,641
-Other	1,492,986,319	1,390,208,979
Short term provisions	13,430,251	26,952,782
NON-CURRENT ASSETS		
Fixed Assets (Net Block)		
(i) Tangible assets	6,520,717	4,565,569
(ii) Intangible assets	7,030,210	6,218,478
(iii) Capital work in progress	232,752	202,497
Non-current investments	3,842,959,802	3,094,414,024
Long term loan and advances	49,651,120	56,960,289
Deferred tax assets (net)	195,115	247,292
Other non-current assets	2,408,346	2,220,632
CURRENT ASSETS		
Current investments	2,064,452,809	2,093,186,864
Inventories	3,198,644,560	2,731,500,856
Trade receivables	376,088,210	430,848,508
Cash and bank balance	199,209,474	308,415,757
Short-term loans and advances	239,408,131	173,082,545
Other current assets	157,692,686	149,055,662
INCOME		
Sale of flats	798,195,756	1,002,378,860
Premium from Insurance Business	1,407,066,078	548,129,899
Other operating income	1,381,150	1,207,606
Other Income from insurance Business	892,100,480	184,571,462
Interest	15,667,489	15,117,476
Dividend income on current investments	-	1,659,750
Net profit on sale of current investments	-	847,957
Other Income	4,791,528	2,933,568
EXPENSES		
Cost of sales	752,827,067	906,117,163
Employee benefits expense	7,603,795	7,525,334

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹)

Particulars	31st March, 2015	31st March, 2014
Finance costs	13,234	3,490,387
Benefits paid pertaining to Insurance Business (Net)	1,005,184,451	205,668,608
Commission and Operating expenses pertaining to Insurance Business	1,021,260,408	516,393,585
Other expenses pertaining to Insurance Business	270,498,474	90,248,727
Depreciation	362,452	671,445
Other expenses	26,934,793	52,547,014
Provision for taxation	4,899,223	24,360,172

Other Information

Particulars	31st March, 2015	31st March, 2014
Contingent liabilities and commitments not provided for		
(i) Contingent liabilities:		
(a) Claims against the company not acknowledged as debt		
- Disputed income-tax matters in appeal	3,398,827	2,867,809
- Disputed Value Added Tax matter in appeal	-	7,527,738
(b) Guarantee		
- Guarantees issued by Bank	1,450,000	1,425,000
(c) Insurance claims disputed by FGILICL, to the extent not provided/reserved	1,520,550	1,281,600
(ii) Capital Commitment :		
(a) Estimated amount of contracts remaining to be executed on capital account, to the extent not provided for (net of advances).	188,775	212,175
(iii) Other Commitments :		
(a) In case of Joint venture entities viz. IITL-Nimbus The Express Park View and IITL-Nimbus The Palm Village, State Level Environment Impact Assessment Authority, Uttar Pradesh, Lucknow vide their letter have stipulated to make budgetary provision amounting to 2% of total project cost towards Environment Corporate Responsibility (ECR).		
(b) Non-cancellable contractual commitments - Included in Note 2.28	119,901,825	247,419,225

(ii) Investment in associate:

The break-up of Investment in World Resort Limited as at 31st March, 2015 is as under:

Particulars	31st March, 2015	31st March, 2014
(i) Number of equity shares (Nos.)	13,018,125	13,018,125
(ii) Percentage holding (%)	25	25
(iii) Cost of Investment (Equity shares)	155,181,250	155,181,250
Goodwill/(Capital Reserve) Included in cost of Investment above	45,086,997	45,086,997
(iv) Share in accumulated loss net of dividend received as at the beginning of the year	(21,470,426)	(13,531,014)
Share of Loss for the year	(16,887,204)	(7,939,412)
Less: Dividend received during the year	-	-
(v) Share of accumulated loss net of dividend received	(38,357,630)	(21,470,426)
(vi) Carrying cost	116,823,620	133,710,824

2.35 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 Group.

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 not only life but also micro insurance. Life Insurance Industry has a long gestation period and the Company views this as a long term investment. Having regard to this and the projections made by FGILICL, the management of the Company is of the view that, although the networth of FGILICL as at 31st March 2015 has substantially eroded, there is no impairment as at 31st March, 2015, in the value of Goodwill on consolidation arising on such acquisition.

2.36 Pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Group other than INHP, INEPV and INPV has, effective 1st April 2014, reviewed and revised the estimated useful life of its fixed assets, in accordance with the provisions of Schedule II to the Act. The carrying amount of the assets as on that date has been depreciated over the remaining useful life of the assets as per Schedule II of the Companies Act, 2013. Consequently, depreciation for the year is higher by ₹ 507,659. Further, an amount of ₹ 1,422,670 (net of deferred tax of ₹ 119,972) has been recognized in the Surplus in the Consolidated Statement of Profit and Loss, where the remaining useful life of such assets is Nil as at 1st April, 2014 in line with the provisions of Schedule II to the Act.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.37 The Company is in the process of appointing a Chief Financial Officer as key managerial personnel.

2.38 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the entity in the	Particulars			
	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent	82%	5,330,300,826	67%	31,321,458
Subsidiaries				
Indian				
1. IITL Projects Limited	2%	152,161,067	42%	19,673,042
2. IIT Investrust Limited	3%	170,069,503	-2%	(917,102)
3. IIT Insurance Broking and Risk Management Private Limited	1%	63,238,576	-40%	(18,656,314)
4. IITL Corporate Insurance Services Private Limited	0%	1,628,111	-2%	(871,889)
5. IITL Marketing Management Private Limited	0%	(45,807)	0%	(92,982)
Foreign	NA	NA	NA	NA
Minority Interests in all subsidiaries				
1. IIT Investrust Limited	0%	1,725,986	0%	(9,264)
2. IITL Projects Limited	1%	36,482,225	24%	11,476,418
Associates (Investment as per the equity method)				
Indian				
1 World Resort Private Limited	NA	NA	-36%	(16,887,204)
Foreign	NA	NA	NA	NA
Joint Ventures (as per proportionate consolidation)				
Indian				
1. Future Generali India Life Insurance Company Limited	9%	559,265,155	5%	2,223,225
2. IITL Nimbus the Palm Village	0%	(19,208,924)	0%	2,062
3. IITL Nimbus the Express Park View	-1%	(34,617,142)	-1%	(488,757)
4. IITL Nimbus the Hyde Park, Noida	1%	95,974,512	35%	16,237,692
5. Capital Infraprojects Private Limited	2%	141,625,314	8%	3,902,433
Foreign	NA	NA	NA	NA
	100%	6,498,599,402	100%	46,912,818
Less : Elimination		(1,279,156,643)		(31,532,872)
Total		5,219,442,759		15,379,946

2.39 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/disclosure.

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman

BIPIN AGARWAL
Director

CUMI BANERJEE
CEO & Company Secretary

Mumbai: 30th May, 2015

2.40 Statement containing salient features of financial Statement of Subsidiaries/Associates/Joint Ventures as per Companies Act, 2013 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(₹)

Part "A" : Subsidiaries

Sr. No	Particulars	2014-2015					2013-2014			
		IITL Projects Limited	IIT Investrust Limited	IIT Insurance Broking and Risk Management Private Limited	IITL Marketing Management Private Limited*	IITL Corporate Insurance Services Private Limited	IITL Projects Limited	IIT Investrust Limited	IIT Insurance Broking and Risk Management Private Limited	IIT Media and Entertainment Private Limited
1.	Capital	120,079,000	125,000,000	25,000,000	1,500,000	2,500,000	120,079,000	125,000,000	25,000,000	1,500,000
2.	Reserves	68,564,292	46,795,489	38,238,576	(1,545,807)	(871,889)	88,706,346	48,524,980	57,276,539	(1,545,825)
3.	Total Assets	647,844,864	173,179,665	114,783,377	15,474	1,739,229	668,547,750	174,965,299	136,431,693	75,153
4.	Total Liabilities	459,201,572	1,384,176	51,544,801	61,281	111,118	459,762,404	1,440,319	54,155,154	27,978
5.	Details of Investments									
	-Equity shares in Joint Venture	5,000,000					5,000,000			
	-Preference shares in Joint Venture	125,000,000					50,000,000			
	Other entity	250,000,000	75,000,000				250,000,000	75,000,000		
	-Share in partnership Firm	96,449,512					71,446,639			
	-Investment in Immovable Property		47,655,365					47,655,365		
6.	Turnover	223,314,818	4,325,471	19,744,224		134,982	208,906,564	4,734,320	85,261,983	
7.	Profit before tax	51,273,305	(1,116,987)	(18,001,877)	(92,982)	(871,889)	(31,721,593)	(1,817,721)	17,364,571	(117,906)
8.	Provision for taxation	5,910,104	(190,621)	654,437			241,331	84,073	(5,883,075)	
9.	Profit after tax	45,363,201	(926,366)	(18,656,314)	(92,982)	(871,889)	(31,480,262)	(1,733,648)	11,481,496	(117,906)
10.	Proposed dividend									
11.	% of shareholding	71.74%	99.00%	100.00%	100.00%	100.00%	71.74%	99.00%	100.00%	100.00%

* The Name of the company has been changed from "IIT Media and Entertainment Private limited" to "IITL Marketing Management Private Limited".

Part "B" : Associates and Joint Ventures

Sr. No	Name of Associates /Joint Ventures	2014-2015					
		World Resort Private Limited	Future Generali India Life Insurance Company Limited	IITL Nimbus the Palm Village	IITL Nimbus the Express Park View	IITL Nimbus the Hyde Park, Noida	Capital Infraprojects Private Limited
1.	Latest Audited Balance Sheet Date	31/Mar/15	31/Mar/15	31/Mar/15	31/Mar/15	31/Mar/15	31/Mar/15
2.	Share of Associate/Joint Ventures held by the Company on the year end						
(a)	No.	13,018,125	326,700,000				
(b)	Amount of Investment in Associates/ Joint Ventures	155,181,250	3,400,000,000	237,500	237,500	45,000,000	130,000,000
(c)	Extend of Holding %	25.00%	22.50%	47.50%	47.50%	45.00%	50.00%
3.	Description of how there is Significant Influence.	Note - A	Note - A	Note - B	Note - B	Note - B	Note - B
4.	Reason why the associate/joint Ventures is not consolidated.	NA	NA	NA	NA	NA	NA
5.	Networth Attributable to Shareholding as per latest audited Balance Sheet	161,631,122	559,265,156	(19,208,924)	(34,617,142)	95,974,513	141,625,315
6.	Profit/Loss for the Year						
(a)	Considered in Consolidation	(16,887,204)	2,223,225	(681,288)	22,634,085	2,873	5,439,690
(b)	Not Considered in Consolidation						

Note

A There is significant influence due to percentage of Share Capital.

B There is significant influence due to percentage of capital of these partnership firm held by subsidiary IITL Projects Limited.

For and on behalf of the Board of Directors

Dr. B. SAMAL
Chairman

BIPIN AGARWAL
Director

CUMI BANERJEE
CEO & Company Secretary

Mumbai: 30th May, 2015

Mumbai: 30th May, 2015



ATTENDANCE SLIP

INDUSTRIAL INVESTMENT TRUST LIMITED

CIN: L65990MH1933PLC001998
Registered Office : 14E, Rajabhadur 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

Joint Shareholders may obtain additional slip at the venue of the meeting.

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 **82nd Annual General Meeting** of the Company held on Wednesday, September 16, 2015 at 2.30 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, Rajabhadur 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 82nd Annual General Meeting of the Company, to be held on the Wednesday, September 16, 2015 at 2.30 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

- Adoption of Financial Statements for the year ended March 31, 2015 and reports of the Directors and Auditors thereon
- To declare dividend on Preference Shares
- To declare dividend on Equity Shares
- Re-appointment of Dr. B. Samal (DIN: 00007256) as Director, who retires by rotation.
- Appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants as Auditors and fixing their remuneration

SPECIAL BUSINESS

- Appointment of Mrs. Bhagyam Ramani as an Independent Director
- Special Resolution pertaining to Re-appointment of Dr. B. Samal as Executive Chairman
- Special Resolution pertaining to Adoption of new set of Articles of Association of the Company.
- Special Resolution pertaining to Approval of Related Party Transactions under Clause 49 of the Equity Listing Agreement

Signed this..... day of..... 2015.

Affix
Re. 1/-
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note:

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



If undelivered, please return to :

INDUSTRIAL INVESTMENT TRUST LIMITED

CIN: L65990MH1933PLC001998

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

Tel: 022 43250100. Email address: iitl@iitlgroup.com. Website: www.iitlgroup.com