



IITL GROUP

Industrial Investment Trust Limited

Reports & Accounts of
Subsidiary Companies
2016 - 2017

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IIT INVESTRUST LIMITED
CIN : U67190MH1992PLC070247

- BOARD OF DIRECTORS** : Mr. Bipin Agarwal
Mr. Venkatesan Narayanan
Mr. Milind Desai
Mr. Jeevanatham Ganapathy -
(Whole-Time Director)
Mr. Vinod Vasantlal Mashru -
(Whole-Time Director & CFO)
- BANKERS** : Axis Bank Limited
Canara Bank
- AUDITORS** : M/s. J.P.J. Associates
Chartered Accountants
- REGISTERED OFFICE** : Rajabhadur Mansion, 2nd Floor, 28,
Bombay Samachar Marg, Fort,
Mumbai - 400 001.
Tel : 91 22 43250100 / Fax : 91 22 22651105
E-mail : iitinvestrust@iitlgroup.com
Website : www.iitinvestrust.com

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 24th Annual Report of the Company, together with the Audited Statement of Accounts for the year ended March 31st, 2017.

Financial Performance

The summarized standalone results of your Company are given in the table below.

(Amount in ₹)

Particulars	For the year ended March 31, 2017	*For the year ended March 31, 2016
Total Income	36,41,651	40,95,486
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	(6,45,728)	(12,37,003)
Finance Charges	-	-
Depreciation	95,406	1,48,141
Provision for Income Tax (including for earlier years)	2,73,843	1,51,034
Net Profit/(Loss) After Tax	(10,14,977)	(15,36,178)
Profit/(Loss) brought forward from previous year	4,40,89,311	4,56,25,489
Reversal of excess tax on dividend	-	-
Profit/(Loss) carried to Balance Sheet	4,30,74,334	4,40,89,311

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

Results of operations and state of Company's affairs

The total income of the Company for the year ended on March 31, 2017 is ₹ 36.42 Lakhs which is lower by about 11% over that for the previous year which was ₹ 40.95 Lakhs, on account of slowdown of the business. This has resulted in pre-tax loss of ₹ 7.41 Lakhs for the year as against the pre-tax loss of ₹ 13.85 Lakhs for the preceding year.

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

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

Dividend

In view of losses suffered by the Company, your Directors do not recommend any dividend for the year under review.

Change in Capital Structure

During the year under review, there was no change in the Capital Structure of the Company.

As on March 31, 2017, the issued, subscribed and paid up share capital of your Company stood at ₹ 125,000,000/-, comprising 12,500,000 Equity shares of ₹ 10/- each.

Subsidiary, Associate and Joint Ventures

As on March 31, 2017, the Company had no subsidiary / joint ventures / associate companies.

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 was observed.

Extract of Annual Return

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

Directors

There was no change in the Directorship during the year under review.

Retiring by Rotation

As per the provision of the Companies Act, 2013 and in accordance with the Article of Association of the Company, Mr. Vinod V. Mashru, will retire at the ensuing AGM of the Company and being eligible, offers himself for re-appointment.

Key Managerial Personnel

Pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Key Managerial Personnel of the Company are – Mr. G. Jeevanantham, Whole Time Director and Mr. Vinod Mashru, Whole Time Director and Chief Financial Officer of the Company.

The Company's business is declining. Due to its financial position, the Company is not in position to employ Company Secretary as required under Section 203 of the Companies Act, 2013.

Meetings of the Board

During the financial year ended March 31, 2017, the Board met 4 (Four) times on May 25, 2016, August 08, 2016, November 12, 2016 and February 08, 2017. The attendance of the Directors who attended the Board meetings is as follows:

Name of the Director	No. of meetings attended
Mr. Bipin Agarwal	4
Mr. Venkatesan Narayan	4
Mr. Milind Desai	4
Mr. Jeevanantham Ganapathy	4
Mr. Vinod Vasantlal Mashru	4

Audit Committee

The Board constituted the Audit Committee on June 18, 2002. It was last re-constituted on January 29, 2016. It comprises of Mr. Bipin Agarwal, Mr. Venkatesan Narayanan and Mr. Milind Desai as members of the Committee. During the year under review, four meetings of the Audit Committee were held.

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, 2017, 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, 2017 and loss 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 systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

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 under the Companies Act, 2013.

Nomination and Remuneration policy

In terms of Section 178(1) of the Companies Act, 2013 the Board of 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.

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

During the year under review the Company has granted a unsecured loan of Rs. 50,00,000/- to IITL- Nimbus The Palm Village, a partnership firm the details of which are provided in the Notes to the Financial Statement.

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: The Company had no foreign exchange earnings and outgo during the financial year

Risk Management

The Board of Directors manages and monitors the principal risk and uncertainties from time to time that can impact the ability to achieve the Company's strategic objectives.

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.

Corporate Social Responsibility (CSR)

Currently, the Company does not come within the ambit of Section 135 of the Companies Act, 2013. The Company has not formulated CSR Policy and has not undertaken any CSR activity. Hence, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required to be made.

Auditors and Auditors' Report

The members had at the Annual General Meeting held on August 30, 2014, M/s. J.P.J Associates, Chartered Accountants (Firm Registration No. 113012W) as Statutory Auditors of the Company to hold office until the conclusion of the fifth consecutive Annual General Meeting of the Company to be held in the year 2019.

Pursuant to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, the aforesaid appointment needs to be ratified by the members at the forthcoming Annual General Meeting on September 23, 2017. Accordingly, the Board of Directors recommends to the shareholders the ratification of appointment of M/s J.P.J Associates, Chartered Accountants, as the Statutory Auditors of the Company for the financial year ending on March 31, 2018.

A Certificate from M/s J.P.J Associates, Chartered Accountants that their appointment is within the prescribed limits under Section 141 of the Companies Act, 2013 has been obtained.

The observations and comments given in the report of the Auditors read

together with Report on Internal Financial Controls and notes to accounts are self-explanatory and hence do not call for any further information and explanation or comments under Section 134(3)(f) of the Companies Act, 2013. The report does not contain any qualification, reservation or adverse remark or disclaimer.

Related party transactions

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

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.

Particulars of Employees and related disclosures as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Being an unlisted company, provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to your Company

Public Deposits

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

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

In accordance of the provisions of the Sexual Harassment of Woman 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 2016-2017.

Acknowledgements

Your Directors wish to place on record their immense appreciation for the assistance and co-operation received from the Insurance Regulatory and Development Authority, Insurance Companies, Banks, Financial Institutions and other Statutory / Regulatory authorities.

Your Directors appreciate the support received from policy holders and intermediaries.

Your Directors wish to place on record their sincere appreciation for the contribution, commitment and dedicated efforts put in by employees.

For and on behalf of the Board

IIT Investrust Limited

Mr. Bipin Agarwal
Director
(DIN: 00001276)

Mr. G. Jeevanantham
Whole-Time Director
(DIN:03375366)

August 08, 2017
Mumbai

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2017
of

IIT INVESTRUST 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 : U67190MH1992PLC070247
 ii) Registration Date : 31.12.1992
 iii) Name of the Company : IIT Investrust Limited
 iv) Category/ Sub-Category of the Company : Public Company / Limited by shares
 v) Address of the Registered office and contact details : 28, Rajabhadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001, Maharashtra. Tel: 022-43250100; Fax: 022-22651105. Email: iitinvestrust@iitlgroup.com
 vi) Whether shares listed on recognized Stock Exchange(s) - Yes/No No
 vii) Name, Address and contact details of Registrar and Transfer Agent, if any N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	The Principal business activity of the Company is Stock Broking. The said business has not contributed 10% or more of the total turnover of the Company. However during the Financial Year 2016-2017, other income constituting of Rental Income and Interest Income has contributed more than 10% of the total turnover of the Company.		

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	Industrial Investment Trust Limited 28, Rajabhadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	L65990MH1933PLC001998	Holding	99.00%	2(46)

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	0	40	40	0.00	0	40	40	0.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	12374960	12374960	99.00	0	12374960	12374960	99.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub- total (A) (1)	0	12375000	12375000	99.00	0	12375000	12375000	99.00	0.00
2. Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Body Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0	12375000	12375000	99.00	0	12375000	12375000	99.00	0.00

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	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/F1	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	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):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non- Institutions									
a) Bodies Corp									
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individuals Shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh	0	125000	125000	1.00	0	125000	125000	1.00	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians (Repat & Non Repat)	0	0	0	0.00	0	0	0	0.00	0.00
Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	0	125000	125000	1.00	0	125000	125000	1.00	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	125000	125000	1.00	0	125000	125000	1.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
i. Promoter and Promoter group	0	0	0	0.00	0	0	0	0.00	0.00
ii. Public	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total C:-	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	0	12500000	12500000	100	0	12500000	12500000	100	0.00

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	% change in share holding during the year
1	Industrial Investment Trust Limited	12374960	99.00	0.00	12374960	99.00	0.00	0.00
2	Bipin Agarwal	10	0.00	0.00	10	0.00	0.00	0.00
3	Swaran Singh	10	0.00	0.00	10	0.00	0.00	0.00
4	Dr. B.Samal	10	0.00	0.00	10	0.00	0.00	0.00
5	T.M.Nagarajan	10	0.00	0.00	10	0.00	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
	At the beginning of the year				
1	Industrial Investment Trust Limited	12374960	99.00	12374960	99.00
2	Bipin Agarwal	10	0.00	10	0.00
3	Swaran Singh	10	0.00	10	0.00
4	Dr. B.Samal	10	0.00	10	0.00
5	T.M.Nagarajan	10	0.00	10	0.00
	Total	12375000	99.00	12375000	99.00
	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):	<i>There is no change in the total shareholding of promoters between 01.04.2016 to 31.03.2017</i>			
	At the End of the year	12375000	99.00	12375000	99.00

(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	Ami Chandrakant Thanawala				
	At the beginning of the year	97000	0.78	97000	0.78
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	97000	0.78	97000	0.78
2	Sarala Parekh				
	At the beginning of the year	28000	0.22	28000	0.22
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	28000	0.22	28000	0.22

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year / end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
DIRECTORS:					
1	Bipin Agarwal				
	At the beginning of the year	10	0.00	10	0.00
	Date wise Increase / Decrease in Shareholding 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	10	0.00	10	0.00
2	Mr. G.Jeevanantham				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding 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	Mr. Venkatesan Narayanan				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding 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	Mr. Milind Desai				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding 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	Mr. Vinod Mashru				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding 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	Mr. G.Jeevanantham				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
2.	Mr. Vinod Mashru				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding 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	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole -time Directors and /or Manger

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. G.Jeevanantham	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of Income-tax Act, 1961		₹ 8,79,125
		Mr. Vinod V. Mashru	
	(a) Salary as per provisions contained in section 17(1) of Income-tax Act, 1961		₹ 6,92,838
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission		
	- as % of profit	NIL	NIL
	- others, specify	NIL	NIL
5	others, please specify	NIL	NIL
	Total	NIL	₹ 15,71,963/-
	Ceiling as per the Act	Maximum Yearly Remuneration as per Schedule V Part II based on Effective Capital of the Company is ₹ 60 Lakhs (excluding Contribution to Provident Fund, Gratuity and Encashment of Leave as per Rules of the Company)	

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	Venkatesan Narayanan	Mr. Milind Desai	
	Fee for attending board committee meetings	32,500	32,500	65,000
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	-	-	65,000
2	Other Non-Executive Directors	Mr. Bipin Agarwal		
	Fee for attending board committee meetings	32,500	-	32,500
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	32,500
	Total (B)=(1+2)	-	-	97,500
	Total Managerial Remuneration			97,500
	Overall Ceiling as per the Act	Ceiling on Sitting Fees as prescribed under the Act is ₹1,00,000/- per meeting Per Director.		

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

Sl No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO (Mr. Vinod V. Mashru)*
1	Gross Salary	—	The Company's business is declining. Due to its financial position, the Company is not in position to employ Company Secretary as Key Managerial Personnel as required under Section 203 of the Companies Act, 2013.	NIL
	a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961			
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
	Total			
2	Stock Option			
3	Sweat Equity			
4	Commission as % of profit others, specify			
5	Others, please specify			

*Mr. Vinod V. Mashru is designated as Whole- Time Director & CFO of the Company; therefore his remuneration is mentioned in the table of Remuneration of Directors and Key Managerial Personnel.

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					

For and on behalf of the Board
IIT Investrust Limited

Mr. Bipin Agarwal
Director
(DIN: 00001276)

Mr. G. Jeevanantham
Whole-Time Director
(DIN:03375366)

August 08, 2017
Mumbai

AOC-2

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

1. Details of contracts or arrangements or transactions not at arm's length basis for the year ended March 31, 2017 - Nil

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2017 are as follows:

Sl. No.	Particulars	Description
1.	Name(s) of the related party	Industrial Investment Trust Limited (IITL)
2.	Nature of relationship	Holding Company
3.	Nature of contracts / arrangements / transactions	Renewal of Leave & License Agreement entered with Industrial Investment Trust Limited for the purpose of giving on Rent the Company's residential premises being Flat No. 1101 and 1101A situated on the 11th Floor of the building Lokhandwala Galaxy, Byculla, Mumbai for the purpose of accommodation of their Company's Chairman.
4.	Duration of the contracts / arrangements / transactions	For a period of 33 months commencing from August 21, 2016 at a monthly rent of ₹ 1,25,000/- .
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
6.	Date(s) of approval by the Board, if any	August 08, 2016
7.	Amount paid as advances, if any	NIL

For and on behalf of the Board
IIT Investrust Limited

Mr. Bipin Agarwal
Director
(DIN: 00001276)

Mr. G. Jeevanantham
Whole-Time Director
(DIN: 03375366)

Date : August 08, 2017
Place : Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of IIT Investrust Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **IIT Investrust Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 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, 2017, and its profit/loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - (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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management. Refer note no 3.24 in financial statements.

For J.P.J. ASSOCIATES
Chartered Accountants
Firm's Registration Number : 113012W

CA VAIBHAV VAIDYA
Partner
Membership Number : 157754

Mumbai : 29th May, 2017

Annexure - A to the Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) A substantial portion of the fixed assets have been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and Nature of Business. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable property as the part of its fixed assets and hence the question of title deeds does not arise.
- (ii) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. On the basis of examination of inventory records, in our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. There were no discrepancies noticed on verification between the physical stocks and the book records.
- (iii) The Company has granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 as per the information and explanation given to us.
- a) As per the information and explanations given to us the terms and conditions of the grant of such loans are not prejudicial to the company's interest;
- b) In the case of a loan granted to the bodies corporate listed in the register maintained under Section 189 of the Act, the borrowers have been regular in the payment of principal and interest ;
- c) There are no overdue amounts in respect of the loan granted to a party listed in the register maintained under Section 189 of the Act.
- (iv) As per the information and explanation given to us and in our opinion, the Company does not have any transactions to which the provisions of Section 185 apply. The Company has complied with the provisions of Section 186 of the Act, with respect to the loans, investments, guarantees and security.
- (v) The Company has not accepted any deposit from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013, hence, the question of maintaining such accounts and records does not arise.
- (vii) (a) According to the records of the Company and as per the information and explanations given to us, the Company generally is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise, value added tax, cess and other statutory dues with appropriate authorities. According to the information and explanations given to us, no arrears of statutory dues as at March 31, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess outstanding on account of any dispute as on 31st March 2017.
- (viii) The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) As per the information and explanation given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandate by the provision of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For J.P.J. ASSOCIATES

Chartered Accountants

Firm's Registration Number : 113012W

CA VAIBHAV VAIDYA

Partner

Membership Number : 157754

Mumbai : 29th May, 2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of IIT Investrust Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes

those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J.P.J. ASSOCIATES

Chartered Accountants
Firm's Registration Number : 113012W

CA VAIBHAV VAIDYA

Partner
Membership Number : 157754

Mumbai : 29th May, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at	As at
		31st March, 2017 ₹	31st March, 2016 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1	125,000,000	125,000,000
Reserves and surplus	3.2	44,244,334	45,259,311
		169,244,334	170,259,311
Current liabilities			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises; and	3.21	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.3	179,553	278,661
Other current liabilities	3.4	38,941	127,093
Short-term provisions	3.5	271,991	942,956
		490,485	1,348,710
TOTAL		169,734,819	171,608,021
ASSETS			
Non-current assets			
Fixed assets - Tangible	3.6(a)	140,272	196,020
Fixed assets - Intangible	3.6(b)	150,675	173,053
Deferred tax Assets (Net)	3.23	-	-
Non-current investments	3.7	122,655,365	122,655,365
Long-term loans and advances	3.8	20,985,767	20,351,005
Other non-current assets	3.9	13,375,000	12,500,000
		157,307,079	155,875,443
Current assets			
Inventories	3.10	401,207	-
Cash and cash equivalents	3.11	10,551,940	13,596,609
Short-term loans and advances	3.12	1,085,243	1,110,409
Other current assets	3.13	389,350	1,025,560
		12,427,740	15,732,578
TOTAL		169,734,819	171,608,021

Significant accounting policies 2
See accompanying notes forming part of the financial statements

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

For J P J Associates
Chartered Accountants
Firm Registration :113012W

CA Vaibhav Vaidya
Partner
Membership No :157754

G. Jeevanantham
Executive Director
Vinod V. Mashru
Executive Director & CFO

Bipin Agarwal
Director

Mumbai : 29th May, 2017 Mumbai : 29th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Year ended	Year ended
		31st March, 2017 ₹	31st March, 2016 ₹
Revenue from operations	3.14	44,302	105,640
Other income	3.15	3,597,349	3,989,846
Total Revenue		3,641,651	4,095,486
Employee benefits expense	3.16	2,455,297	2,212,159
Depreciation expense	3.6	95,406	148,141
Operating and other expenses	3.17	1,832,082	3,120,330
Total expenses		4,382,785	5,480,630
Loss before tax		(741,134)	(1,385,144)
Tax expense:			
- (Excess)/short provision of tax related to prior years (net)		273,843	-
- Deferred tax/(credit)		-	151,034
		273,843	151,034
Loss after tax		(1,014,977)	(1,536,178)
Earnings per equity share:			
Basic and Diluted	3.18	(0.08)	(0.12)
Nominal Value per equity share		10	10

Significant accounting policies 2
See accompanying notes forming part of the financial statements

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

For J P J Associates
Chartered Accountants
Firm Registration :113012W

CA Vaibhav Vaidya
Partner
Membership No :157754

G. Jeevanantham
Executive Director
Vinod V. Mashru
Executive Director & CFO

Bipin Agarwal
Director

Mumbai : 29th May, 2017 Mumbai : 29th May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax	(741,134)	(1,385,144)
Adjustments for:		
Depreciation on fixed assets	95,406	148,141
Excess provision written back	(8,606)	63,332
Interest income	(2,088,743)	(2,296,661)
Operating profit/(loss) before working capital changes and other adjustments	(2,743,077)	(3,470,332)
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	(401,207)	-
Trade receivables	-	482,934
Other current assets	70,475	(80,000)
Short-term loans and advances	25,166	(5,293)
Long-term loans and advances	970,000	(408,165)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	(99,108)	(191,167)
Other current liabilities and provisions	(111,526)	92,369
Cash flow from operations	(2,289,277)	(3,579,654)
Direct taxes (paid)/refund	2,499,493	839,890
Cash flow (used in)/ from operating activities	210,216	(2,739,764)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Bank Balance not considered as cash and cash equivalents		
-Placed	(22,375,000)	(25,500,000)
-Matured	25,500,000	25,500,000
Purchase of fixed assets	(17,280)	(105,300)
Interest received	2,637,395	2,143,542
Net cash (used in) / from investing activities	5,745,115	2,038,242
C. CASH FLOW FROM FINANCING ACTIVITIES		
Loans given to others	(5,000,000)	-
Net cash (used in)/ from financing activities	(5,000,000)	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	955,331	(701,522)
As at the beginning of the year	596,609	1,298,131
As at the end of the year	1,551,940	596,609

Note: (i) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement.
(ii) Previous year figures have been regrouped wherever necessary.

As per our report attached of even date
For J P J Associates
Chartered Accountants
Firm Registration :113012W

For and on behalf of the Board of Directors

CA Vaibhav Vaidya
Partner
Membership No :157754

G. Jeevanantham
Executive Director
Vinod V. Mashru
Executive Director
& CFO

Bipin Agarwal
Director

Mumbai : 29th May, 2017

Mumbai : 29th May, 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

1 Corporate information

IIT Investrust Limited (the Company) is limited company incorporated under the provision of of the Companies Act, 1956. The Company is the business of stock broking, depository services and arbitrage.

2 Significant Accounting Policies

2.1 Basis of accounting:

The financial statements of the Company 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"). 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.

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

2.2 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) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimat

2.3 Revenue Recognition:

- (a) Net income from trading of securities is accounted for on the basis of Stock Brokers Contract Notes.
- (b) 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.
- (c) Brokerage income from stock broking activities is on the basis of Contract Notes issued.
- (d) Brokerage income from Primary market has been recognised on the basis of advice from the Registrar regarding allotment.
- (e) 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.
- (f) Equity Stock – Futures:

In accordance with Guidance Note on "Accounting for Equity Index and Equity Stock Futures and Options" issued by The Institute of Chartered Accountants of India.

1. Equity Stock Futures are marked-to-market on a daily basis. Debit or credit balances, if any, are disclosed under Loans and Advances or Current Liabilities respectively. The "Mark-to-Market Margin Equity Stock Futures Account", represents

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

the net amount paid or received on the basis of movement in the prices of Equity Stock Futures till the Balance Sheet date.

2. As at the Balance Sheet date, the profit/ loss on open positions, if any, in Equity Stock Futures are accounted for as follows:

Credit balance in the "Mark-to-Market Margin-Equity Stock Futures Account", being anticipated profit, is ignored and no credit is taken in the Statement of Profit and Loss.

Debit balance in the "Mark-to-Market Margin-Equity Stock Futures Account", being anticipated loss, is recognised in the Statement of Profit and Loss.

3. On final settlement or squaring-up of contracts for Equity Stock Futures, the profit or loss is calculated as the difference between settlement/ squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled/ squared-up contract in "Mark-to-Market Margin - Equity Stock Futures Account" is recognised in the Statement of Profit and Loss upon expiry of the contracts. When more than one contract in respect of the relevant series of Equity Stock Futures contract to which the squared-up contract pertains is outstanding at the time of the squaring up of the contract, the contract price of the contract so squared up is determined using First In First Out Method for calculating profit/ loss on squaring-up.
4. "Initial Margin – Equity Stock Futures Account", representing the initial margin and "Margin Deposits" representing additional margin paid over and above the initial margin, for entering into contracts for Equity Stock Futures, which are released on final settlement/ squaring-up of underlying contracts, are disclosed under Loans and Advances.

- (g) Income from rent is accounted on accrual basis

2.4 Fixed Assets and Depreciation:

Fixed assets are capitalized at cost inclusive of expenses relating to the acquisition and installation of fixed assets.

Depreciation on tangible fixed assets has been provided on the written down value method at the rates determined based on the useful life prescribed in Schedule II to the Companies Act, 2013.

2.5 Inventories:

Inventory of shares in security has been valued at Cost or Market price whichever is lower. Cost is determined on weighted average basis.

2.6 Investments :

Long term Investments are stated at cost. Provision for diminution, if any, in the value of each long term investment is made to recognise a decline, other than of a temporary nature.

Current Investments are stated at lower the cost or market value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

2.7 Provisions and Contingencies:

A provision is recognised when an enterprise has a present obligation as a result of past event 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 values and are determined based on management 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 management estimates. The Company in its capacity as a broker is liable to make good share return under objection to it, in the event client / broker from whom the company has received the shares does not do the necessary rectification within the stipulated time.

2.8 Impairment of Assets:

At each balance sheet date the company assesses the realizable value of all the assets. If there is any indication of fall in the realizable value over carrying cost of the assets, impairment in value of the assets is recognized.

2.9 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. Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rate and tax laws enacted or substantially enacted at the Balance Sheet date.

Deferred tax assets other than on carried forward losses and unabsorbed depreciation are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets on account of carried forward losses and unabsorbed depreciation are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum Alternative Tax (MAT) credit asset is recognised only when and to the extent there is convincing evidence that the Company will pay normal Income-tax during the specified period. The carrying amount of MAT credit asset is reviewed at each Balance Sheet date.

2.10 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.

2.11 Employees Benefits Expenses:

(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 year in which the related service is rendered.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

(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 Plan are charged to Statement of Profit and Loss as incurred.

2. Defined Benefit Plans:

i. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes contribution to a fund managed by LIC of India based on management estimate made at the end of the year. Gains and losses are recognised in the Statement of Profit and Loss.

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 management estimate made at the end of the year. Gains and losses are recognised in the Statement of Profit and Loss.

2.12 Earning per share:

Basic earnings per share have been calculated by dividing profit/(loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has not issued any potential equity shares and accordingly, the basic earnings per share and diluted earnings per share are the same.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
3.1 Share Capital

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	₹	₹
Authorised		
25,000,000 (previous year 25,000,000) Equity shares of ₹ 10 each	250,000,000	250,000,000
	<u>250,000,000</u>	<u>250,000,000</u>
Issued, subscribed and paid-up:		
12,500,000 (previous year 12,500,000) Equity shares of ₹ 10 each fully paid-up	125,000,000	125,000,000
Total	<u>125,000,000</u>	<u>125,000,000</u>

a) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share.

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. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Shares held by holding company

As at 31st March, 2017 12,375,000 Equity shares were held by Holding Company Industrial Investment Trust Limited (Previous year 12,375,000 Equity Shares) of ₹ 10/- each.

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

Name of Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Industrial Investment Trust Limited	12,375,000	99.00%	12,375,000	99.00%

d) Reconciliation of the number of equity shares outstanding at the beginning and at the year end.

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning and end of the year	12,500,000	125,000,000	12,500,000	125,000,000

e) 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
3.2 Reserves and Surplus

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	₹	₹
General Reserve		
Balance as per last balance sheet	1,170,000	1,170,000
	<u>1,170,000</u>	<u>1,170,000</u>
Surplus balance in Statement of Profit and Loss		
Opening balance	44,089,311	45,625,489
Add: Loss for the year	(1,014,977)	(1,536,178)
Closing Balance	43,074,334	44,089,311
Total	<u>44,244,334</u>	<u>45,259,311</u>

3.3 Trade Payables

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	₹	₹
Payable to vendors	2,683	25,166
Payable to holding company	-	30,000
Provision for expenses	176,870	219,624
Others	-	3,871
Total	<u>179,553</u>	<u>278,661</u>

3.4 Other Current liabilities

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	₹	₹
Statutory remittances (Contribution to PF, TDS and etc.)	38,941	127,093
Total	<u>38,941</u>	<u>127,093</u>

3.5 Short term provisions

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	₹	₹
Provision for tax (net of advance tax ₹ Nil, previous year ₹1,111,015)	-	638,985
Provision for compensated absences	184,394	193,000
Provision for gratuity	87,597	110,971
Total	<u>271,991</u>	<u>942,956</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
3.6 (a) Fixed assets - Tangible

(₹)

Assets	Gross Block			Depreciation Block			Net Block	
	As at 1st April, 2016	Additions	As at 31st March, 2017	As at 1st April, 2016	For the year ended	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
Computers	1,943,380 (1,855,180)	(88,200)	1,943,380 (1,943,380)	1,771,587 (1,711,793)	50,510 (59,794)	1,822,097 (1,771,587)	121,283 (171,793)	171,793 (143,387)
Furniture & Fixtures	47,903 (47,903)	-	47,903 (47,903)	33,123 (25,003)	5,238 (8,120)	38,361 (33,123)	9,542 (14,780)	14,780 (22,900)
Office Equipment	188,913 (188,913)	-	188,913 (188,913)	179,466 (159,945)	- (19,521)	179,466 (179,466)	9,447 (9,447)	9,447 (28,968)
Sub-total	2,180,196 (2,091,996)	- (88,200)	2,180,196 (2,180,196)	1,984,176 (1,896,741)	55,748 (87,435)	2,039,924 (1,984,176)	140,272 (196,020)	196,020 (195,255)

(b) Fixed assets - Intangible

(₹)

Assets	Gross Block			Depreciation Block			Net Block	
	As at 1st April, 2016	Additions	As at 31st March, 2017	As at 1st April, 2016	For the year ended	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
Computers	2,663,444 (2,646,344)	17,280 (17,100)	2,680,724 (2,663,444)	2,490,391 (2,429,685)	39,658 (60,706)	2,530,049 (2,490,391)	150,675 (173,053)	173,053 (216,659)
Sub-total	2,663,444 (2,646,344)	17,280 (17,100)	2,680,724 (2,663,444)	2,490,391 (2,429,685)	39,658 (60,706)	2,530,049 (2,490,391)	150,675 (173,053)	173,053 (216,659)
Total	4,843,640 (4,738,340)	17,280 (105,300)	4,860,920 (4,843,640)	4,474,567 (4,326,426)	95,406 (148,141)	4,569,973 (4,474,567)	290,947 (369,073)	369,073 (411,914)

Figures stated in brackets pertain to the previous year.

3.7 Non-current investments

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Investment in Preference Share (fully paid-up) :		
- of other entities, non trade, unquoted [refer note 3.7(a)]	75,000,000	75,000,000
Investment in Immovable property	47,655,365	47,655,365
Total	122,655,365	122,655,365
Aggregate amount of unquoted investments	75,000,000	75,000,000

3.7(a)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Investment in Zero % Optionally Convertible Redeemable Preference Shares of World Resort Limited (No. of shares) *	1,875,000	1,875,000

* During the year the Company vide its the Board meeting dated 8th February 2017 consented to the variation of rights relating to 10% Optionally Convertible Cumulative Redeemable Preference shares by the investee company by extending the period of redemption, waiver of dividend till 31st March 2016, reducing the coupon rate from 10% to 0% & changing the nomenclature of the shares to Zero % Optionally Convertible Redeemable Preference Shares w.e.f 1st April 2016.

3.8 Long term loans & advances (unsecured, considered good, unless otherwise stated)

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Unsecured Loan:		
Loans and advances to related parties	5,000,000	-
Security deposits	15,628,600	16,598,600
Advance payment of income tax [(net of provision for tax ₹ Nil) previous year ₹ Nil]	357,167	3,752,405
Total	20,985,767	20,351,005



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

3.9 Other non-current assets

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	₹	₹
Bank deposits with more than 12 months maturities (Deposit pledged with BSE & NSE)	13,375,000	12,500,000
Total	13,375,000	12,500,000

3.10 Inventories

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	₹	₹
(Inventories are valued at lower of cost and net realisable value)	401,207	-
Shares held as stock-in-trade	-	-
Total	401,207	-

3.11 Cash and Bank balances

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	₹	₹
Cash and cash equivalents		
Cash on hand	7,107	1,367
Balances with banks		
- In current accounts	939,941	595,242
- In deposit accounts with original maturity of less than 3 months	604,892	-
(A)	1,551,940	596,609
Other Bank Balances:		
- In deposit accounts with original maturity of more than 3 months	9,000,000	13,000,000
(B)	9,000,000	13,000,000
Total (A+B)	10,551,940	13,596,609

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

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	₹	₹
Other Loans and advances		
Prepaid expenses	119,211	135,309
Balance with Government authorities		
- Service tax credit receivable	545,661	546,647
Other Advances	420,371	428,453
Total	1,085,243	1,110,409

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

3.13 Other current assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	₹	₹
Interest accrued on:		
- bank deposits	325,918	945,560
- unsecured loan	53,907	-
Receivable from group company	9,525	80,000
Total	389,350	1,025,560

3.14 Revenue from operations

Particulars	Year ended	Year ended
	31st March, 2017	31st March, 2016
	₹	₹
Brokerage on shares	20,898	93,523
Revenue from Stock market Operations (net)	3,828	-
Dividend Income	19,300	-
Others	276	12,117
Total	44,302	105,640

3.15 Other income

Particulars	Year ended	Year ended
	31st March, 2017	31st March, 2016
	₹	₹
Interest on bank deposits	2,011,763	2,296,661
Rental Income	1,500,000	1,500,000
Interest on loan	59,897	-
Interest Income on income tax refund	17,083	48,498
Excess provision written back	8,606	63,332
Liability no longer required written back	-	81,355
Total	3,597,349	3,989,846

3.16 Employee benefits expense

Particulars	Year ended	Year ended
	31st March, 2017	31st March, 2016
	₹	₹
Salaries and bonus	2,304,674	2,103,195
Contribution to provident and other funds	115,800	84,004
Staff welfare expenses	34,823	24,960
Total	2,455,297	2,212,159



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

3.17 Operating and other expenses

Particulars	Year ended	Year ended
	31st March, 2017	31st March, 2016
	₹	₹
Operating Expenses (DP Charges, lease Line and etc.)	526,427	489,381
Rent, Rates & Taxes	155,431	266,538
Electricity expenses	51,300	108,000
Professional and Legal Expenses	269,053	797,400
Insurance	142,544	167,244
Directors Fees	112,012	121,725
Membership and Subscription, Book and Periodicals	103,987	85,050
Printing and Stationery	12,493	12,406
Postage, telegram and telephone	90,174	96,847
Repair and Maintenance		
- Computers	40,477	9,848
- Others	182,236	320,503
Auditors' Remuneration		
- Auditors fees	75,000	75,000
- other services	30,000	35,000
- out of pocket expenses	8,039	9,232
- service tax	16,538	16,774
Travelling and Conveyance	1,643	4,038
Bank Charges	1,280	1,291
Professional tax	2,500	2,500
Bad Debt written off	-	467,206
Miscellaneous expenses	10,948	34,347
Total	1,832,082	3,120,330

3.18 Earnings per share:

Particulars	Year ended	Year ended
	31st March, 2017	31st March, 2016
	₹	₹
(a) Profit/(loss) after tax (₹)	(1,014,977)	(1,536,178)
(b) Weighted average number of equity shares	12,500,000	12,500,000
(c) Basic and diluted, earnings per equity share (₹)	(0.08)	(0.07)

3.19 Related party disclosures:

(i) Names of related parties and nature of related party relationship:

Holding Company:	Industrial Investment Trust Limited
Fellow Subsidiary:	IITL Projects Limited IIT Insurance Broking and Risk Management Private Limited
Entities in which director can exercise significant influence:	IITL Nimbus The Palm Village
Key management personnel:	G. Jeevanantham, Executive Director B. C. Maheshwari, Executive Director (upto 4th January, 2016) Vinod V. Mashru, Executive Director & CFO (w.e.f 4th January, 2016)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

3.19 (ii) Transactions with related parties during the year and outstanding balance:

Name of Related party and description of relationship	Nature of Transaction	Volume of transactions during the year ended 31st March 2017	Outstanding due as on 31st March 2017
Holding Company: Industrial Investment Trust Limited			
	Rent received	1,500,000 (1,500,000)	- (-)
	Brokerage received	4,488 (68,775)	"-" (-)
Entities in which director can exercise significant influence: IITL Nimbus The Palm Village			
	Loan Given	5,000,000 (-)	5,000,000 (-)
	Interest accrued but not due on loan	59,897 (-)	53,907 (-)
Key management personnel:			
B C Maheshwari	Remuneration	- (273,871)	- (3,871)
G Jeevanantham	Remuneration	879,125 (879,125)	- (-)
Vinod Mashru	Remuneration	692,838 (160,918)	- (-)

Above disclosures exclude related party transactions in nature of reimbursements.

Figure in brackets pertains to the previous year.

3.20 Employee Benefits

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 3.16 for the year are as under:

Particulars	31st March, 2017	31st March, 2016
	₹	₹
Employer's contribution to Regional Provident Fund Commissioner	79,572	49,316
Employer's contribution to Family Pension Fund	24,132	24,132

3.21 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

3.22 Segment information:
Primary segment - Business segments

	Year ended 31st March, 2017				Year ended 31st March, 2016					
	Investment activities	Investment Brokerage Services	Rental Services	Eliminations	Total	Investment activities	Investment Brokerage Services	Rental Services	Eliminations	Total
A. REVENUE										
1. Revenue from Operations	23,128	21,174	1,500,000	-	1,544,302	-	105,640	1,500,000	-	1,605,640
2. Interest income	-	1,248,578	-	-	1,248,578	-	1,153,330	-	-	1,153,330
Segment revenue	23,128	1,269,752	1,500,000	-	2,792,880	0	1,258,970	1,500,000	-	2,758,970
B. RESULTS										
1. Segment result	(1,949,923)	21,174	1,500,000	-	(428,749)	(3,126,714)	(39,816)	1,500,000	-	(1,666,529)
2. Unallocable income net of unallocable expenses	-	-	-	-	(312,385)	-	-	-	-	281,385
3. Profit before tax	-	-	-	-	(741,134)	-	-	-	-	(1,385,144)
4. Provision for taxation	-	-	-	-	273,843	-	-	-	-	151,034
Profit/(Loss) after tax	(1,926,795)	1,248,578	-	-	(1,014,977)	(3,126,714)	1,298,786	-	-	(1,536,178)
C. OTHER INFORMATION										
1. Segment assets	77,156,851	30,565,436	47,655,365	-	155,377,652	75,872,629	31,327,622	47,655,365	-	154,855,616
2. Goodwill on consolidation	-	-	-	-	-	-	-	-	-	-
3. Investments	-	-	-	-	-	-	-	-	-	-
4. Unallocable assets	-	-	-	-	14,357,167	-	-	-	-	16,752,405
Total assets	77,156,851	30,565,436	47,655,365	-	169,734,819	75,872,629	31,327,622	47,655,365	-	171,608,021
1. Segment liabilities	238,908	102,389	-	-	341,297	321,113	137,620	-	-	458,733
2. Unallocable corporate liabilities	-	-	-	-	149,188	-	-	-	-	889,977
Total liabilities	238,908	102,389	-	-	490,485	321,113	137,620	-	-	1,348,710

Note: The Company caters to the needs of domestic market only and hence there are no reportable geographical segments.

Type of services in each business segment:

Investment activities : Activities relates to Investments Business.

Investment brokerage : Activities relates to Stock Broking Business.

Rental : Activities relates to renting of residential flat.

3.23 No deferred tax assets/liabilities has been recognised on the amount of carried forward losses and unabsorbed depreciation in the absence of the virtual certainty.

3.24 During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	-	1,591	1,591
(+) Permitted receipts	-	10,000	10,000
(-) Permitted payments	-	2,044	2,044
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30th December, 2016	-	-	9,547

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

3.25 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

G Jeevanantham
Executive Director

Vinod V. Mashru
Executive Director & CFO

Bipin Agarwal
Director

Mumbai: 29th May, 2017

IIT INSURANCE BROKING AND RISK MANAGEMENT PRIVATE LIMITED
CIN: U67190MH2008PTC187076

BOARD OF DIRECTORS	:	Mr. Bipin Agarwal - <i>Chairman</i> Mr. Venkatesan Narayanan
BANKERS	:	Axis Bank Limited
AUDITORS	:	M/s Desai & Kinare
REGISTERED OFFICE	:	14E Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001. Tel: 022- 43250100 Email address: infomumbai@iitinsurance.com Website: www.iitinsurance.com
BRANCHES (as on 31.03.2017)	:	Mumbai, Delhi, Patna, Jaipur

**DIRECTORS' REPORT**

To
The Members,

Your Directors are pleased to present the Ninth Annual Report of the Company, together with the Audited Statement of Accounts for the year ended March 31, 2017.

Financial Performance

The summarized standalone results of your Company are given in the table below.

₹ in Lakhs

Particulars	Financial Year ended	
	31/03/2017	31/03/2016
Total Income	92.65	100.62
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	(23.98)	(78.34)
Finance Charges	87.04	70.06
Depreciation	43.29	47.34
Provision for Income Tax	-	-
(including for earlier years)	-	-
Deferred Tax	6.65	1.03
Short/(Excess) provision for tax relating to prior years	(16.86)	-
Net Profit/(Loss) After Tax	(144.10)	(196.77)
Profit/(Loss) brought forward from previous year	130.06	326.84
Profit/(Loss) carried to Balance Sheet	(14.04)	130.06

Note: Previous year figures have been regrouped / rearranged wherever necessary.

Results of operations and state of Company's affairs

The Company's revenue of operations for the financial year ended March 31, 2017 was ₹ 62.51 lakhs as compared to the revenue of ₹ 100.21 lakhs during the previous year. The Company incurred a net loss of ₹ 144.10 lakhs as against the net loss of ₹ 196.77 lakhs during the previous year due to decline in business.

Business Overview

During the year under review, an additional branch was opened and three branches were closed. The total number of operational offices at the year end stood at 4 and had 15 employees on its pay roll. The Company has also obtained online registration with Insurance Brokers Association of India (IBAI).

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

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

Dividend

In view of losses suffered by the Company, your Directors do not recommend any dividend for the year under review.

Change in Capital Structure

During the year under review, there was no change in the Capital Structure of the Company.

As on March 31, 2017, the issued, subscribed and paid up share capital of your Company stood at ₹ 2,50,00,000/-, comprising 25,00,000 Equity shares of ₹ 10/- each.

Subsidiary, Associate and Joint Ventures

As on March 31, 2017, the Company had no subsidiary / joint ventures / associate companies.

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 operations were observed.

Extract of Annual Return

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

Directors

There was no change in Directorship during the year under review.

In accordance with the provisions of the Companies Act, 2013, Mr. Bipin Agarwal, retires by rotation and being eligible, offers himself for re-appointment, which your Directors consider to be in the interest of the Company.

Meetings of the Board

During the financial year ended March 31, 2017, the Board met 5 (Five) times on May 25, 2016, August 08, 2016, August 31, 2016, November 11, 2016 and February 08, 2017. The attendance of the Directors at the Board meetings is as follows:

Name of the Director	No. of meetings attended
Mr. Bipin Agarwal	5
Mr. Venkatesan Narayanan	5

Audit Committee

The Board constituted the Audit Committee on July 21, 2009. It was last reconstituted on May 30, 2015 comprising of Mr. Bipin Agarwal and Mr. Venkatesan Narayanan as members. During the year under review, four meetings of the Audit Committee were held on May 25, 2016, August 08, 2016, November 11, 2016 and February 08, 2017. The attendance of the members at the Audit Committee meetings is as follows:

Name of the Director	No. of meetings attended
Mr. Bipin Agarwal	4
Mr. Venkatesan Narayanan	4

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, 2017, 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, 2017 and loss 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 systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

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

There were no loans given, investments made, guarantees given or securities provided by the Company which fall within the ambit of Section 186 of the Companies Act, 2013.

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:

The Company had no foreign exchange earnings and outgo during the financial year.

Risk Management

The Board of Directors manages and monitors the principal risks and uncertainties from time to time that can impact the ability to achieve the Company's strategic objectives.

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 was approved by the Board.

The report on CSR activities is appended as Annexure 2 to this Report.

Auditors and Auditors' Report

The Members had at the Annual General Meeting held on August 30, 2014, approved the appointment of M/s Desai & Kinare, Chartered Accountants (Firm Registration No. 119575W) as Statutory Auditors of the Company to hold office until the conclusion of the fifth consecutive Annual General Meeting of the Company to be held in the year 2019.

Pursuant to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, the aforesaid appointment needs to be ratified by the members at the forthcoming Annual General Meeting. Accordingly, the Board of Directors recommends to the shareholders the ratification of appointment of M/s Desai & Kinare, Chartered Accountants, as the Statutory Auditors of the Company for the financial year ending on March 31, 2018.

A certificate from M/s Desai & Kinare, Chartered Accountants that their appointment is within the prescribed limits under Section 141 of the Companies Act, 2013 has been obtained.

In regard to observations / reservations in the Auditor's Report read together with Report on Internal Financial Controls, the relevant notes on the accounts are self-explanatory.

Related party transactions (RPTs)

All RPTs entered during the financial year by the Company are in ordinary course of business and on an arms' length basis. Particulars of material contracts or arrangements made with related parties referred

to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure 3 to the Directors' Report.

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.

Particulars of Employees as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Being an unlisted company, provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to your Company.

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 2016-2017.

Acknowledgements

Your Directors wish to place on record their immense appreciation for the assistance and co-operation received from the Insurance Regulatory and Development Authority, Insurance Companies, Banks, Financial Institutions and other Statutory / Regulatory authorities.

Your Directors appreciate the support received from policy holders and intermediaries.

Your Directors wish to place on record their sincere appreciation for the contribution, commitment and dedicated efforts put in by employees.

On behalf of the Board of Directors

Bipin Agarwal
Chairman
(DIN: 00001276)

Place : Mumbai
Date: August 08, 2017

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2017
of

IIT INSURANCE BROKING AND RISK MANAGEMENT PRIVATE 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:	U67190MH2008PTC187076
ii)	Registration Date:	25.09.2008
iii)	Name of the Company	IIT INSURANCE BROKING AND RISK MANAGEMENT PRIVATE LIMITED
iv)	Category/ Sub-Category of the Company	Private 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: infomumbai@iitinsurance.com
vi)	Whether shares listed on recognized Stock Exchange(s) - Yes/No	No
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Activities of insurance agents and brokers	66220	67.46
2	Rental Income	68100	16.19

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	Industrial Investment Trust Limited Rajabhadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001.	L65990MH1933PLC001998	Holding	100%	2(46)

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	0	2	2	0.00	0	2	2	0.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	2499998	2499998	100.00	0	2499998	2499998	100.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub- total (A) (1)	0	2500000	2500000	100.00	0	2500000	2500000	100.00	0.00
2. Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Body Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0	2500000	2500000	100.00	0	2500000	2500000	100.00	0.00



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	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FII's	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):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non- Institutions	0	0	0	0.00	0	0	0	0.00	0.00
a) Bodies Corp	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individuals Shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual Shareholders holding nominal capital in excess of ₹ 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians (Repat)	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians (Non Repat)	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs									
i. Promoter and Promoter group	0	0	0	0.00	0	0	0	0.00	0.00
ii. Public	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total C:-	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	0	2500000	2500000	100.00	0	2500000	2500000	100.00	0.00

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding 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	Industrial Investment Trust Limited	2499998	99.9998	0.00	2499998	99.9998	0.00	0.00
2	Bipin Agarwal (On Behalf of the holding Company, Industrial Investment Trust Limited)	1	0.0001	0.00	1	0.0001	0.00	0.00
3	Swaran Singh (On Behalf of the holding Company, Industrial Investment Trust Limited)	1	0.0001	0.00	1	0.0001	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
	At the beginning of the year				
1	Industrial Investment Trust Limited	2499998	99.9998	2499998	99.9998
2	Bipin Agarwal	1	0.0001	1	0.0001
3	Swaran Singh	1	0.0001	1	0.0001
	Total	2500000	100.00	2500000	100.00
	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):	<i>There is no change in the total shareholding of promoters between 01.04.2016 to 31.03.2017</i>			
	At the End of the year	2500000	100.00	2500000	100.00

(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	NIL	NIL	N.A.	NIL	N.A.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year / end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
DIRECTORS:					
1	Bipin Agarwal				
	At the beginning of the year	1	0.0001	1	0.0001
	Date wise Increase / Decrease in Shareholding 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	1	0.0001	1	0.0001
2	Venkatesan Narayanan				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change	N.A.	Nil	N.A.
	At the End of the year	Nil	N.A.	Nil	N.A.
KEY MANAGERIAL PERSONNEL:					
1	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	N.A.	Nil	N.A.
	At the End of the year	Nil	N.A.	Nil	N.A.



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,91,75,000	3,18,00,000	-	6,09,75,000
ii) Interest due but not paid	2,80,558	10,33,789	-	13,14,347
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,94,55,558	3,28,33,789	-	6,22,89,347
Change in Indebtedness during the financial year				
* Addition	-	1,82,00,000	-	1,82,00,000
* Reduction	(99,96,000)	-	-	(99,96,000)
Net Change	(99,96,000)	1,82,00,000	-	82,04,000
Indebtedness at the end of the financial year				
i) Principal Amount	1,91,79,000	5,00,00,000	-	6,91,79,000
ii) Interest due but not paid	1,80,434	29,21,679	-	31,02,113
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,93,59,434	5,29,21,679	-	7,22,81,113

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	NIL
	b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	NIL
	c) Profits in lieu of salary under section 17(3) of 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)	NIL
	Ceiling as per the Act	N.A.

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors		
		Bipin Agarwal	Venkatesan Narayanan	Total Amount
1	Independent Directors			
	Fee for attending board committee meetings	--	1,00,000	1,00,000
	Commission	--	--	--
	Others, please specify	--	--	--
	Total (1)	--	1,00,000	1,00,000
2	Other Non-Executive Directors			
	Fee for attending board committee meetings	1,00,000	--	1,00,000
	Commission	--	--	--
	Others, please specify	--	--	--
	Total (2)	1,00,000	--	1,00,000
	Total (B)=(1+2)	1,00,000	1,00,000	2,00,000
	Total Managerial Remuneration			2,00,000
	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

Sl No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO
1	Gross Salary	Not Applicable	Not Applicable	Not Applicable
	a) Salary as per provisions contained in Section 17(1) of the Income -Tax Act, 1961			
	b) Value of perquisites u/s 17(2) of Income -tax Act, 1961			
	c) profits in lieu of salary under section 17(3) of Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission as % of profit others, specify			
5	Others, please specify			
	Total			

VII PENALTIES/PUNISHMENT/COMPOUNDING OF 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					

On behalf of the Board of Directors

Bipin Agarwal
Chairman
(DIN: 00001276)Mumbai:
Date: August 08, 2017

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://iitinsurance.com/Insurance/AboutUs.aspx>

2. The composition of the CSR Committee :

Mr. Bipin Agarwal
Mr. Venkatesan Narayanan

3. Average Net Profit of the company for last 3 financial years : ₹ (45,57,033/-)

4. Prescribed CSR expenditure (2% of the amount) : Nil

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

- a) total amount to be spent for the financial year : Nil
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	
-	-	-	-	-	-	-	-

6. Reasons for not contributing funds towards CSR activity:

The Company has incurred average net loss of Rs. 45,57,033/- during the last 3 financial years.

7. In view of the above mentioned, the Company could not contribute any amount towards the CSR activities.

Venkatesan Narayanan
Director

Bipin Agarwal
Chairman of CSR Committee

Mumbai:
Date: August 08, 2017

AOC -2

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

1. Details of contracts or arrangements or transactions not at arm's length basis for the year ended March 31, 2017 - Nil

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2017 are as follows:

Sl. No.	Particulars	Description
1.	Name(s) of the related party	Industrial Investment Trust Limited
2.	Nature of relationship	Holding Company
3.	Nature of contracts / arrangements / transactions	Leave & License Agreement entered with Industrial Investment Trust Limited for occupation of the residential premises of the Company by their officials, being flat no. 702 on the 7th Floor of Shivam building situated at 8 Babulnath Road, Near Babulnath Temple, Mumbai 400 007.
4.	Duration of the contracts / arrangements / transactions	For a period of 33 months with effect from August 16, 2016 on a monthly rent of Rs.2,00,000/-.
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
6.	Date(s) of approval by the Board, if any	August 08, 2016
7.	Amount paid as advances, if any	NIL

For and on behalf of the Board
IIT Insurance Broking and Risk Management Private Limited

Bipin Agarwal
Chairman
(DIN: 00001276)

Date : August 08, 2017
Place : Mumbai

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF IIT INSURANCE BROKING AND RISK MANAGEMENT PRIVATE LIMITED**

We have audited the accompanying financial statements of **IIT Insurance Broking & Risk Management Pvt. Ltd.** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

1. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of internal 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.

2. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

3. In our opinion and to the best of our information and according to the explanations given to us, the 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:

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

4. Report on Other Legal and Regulatory Requirements:

A. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

B. As required by section 143(3) of the Act, we report that:

- we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- 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 and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us;
- in our opinion, the aforesaid Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164(2) of the Act.
- As per Regulation 26(2) of The IRDA (Insurance Brokers) Regulation 2013, Insurance Broker promoted by Corporate House having insurance Company within their group, not more than 25 percent of the insurance handled by the broker shall be placed with the Insurance Company within the promoter group.
During the year the company has handled renewal insurance business of more than 25 percent with Future Generali India Life Insurance Company Limited. which is an insurance company within the promoter group.
- with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

C. As required by regulation 29(6) of the IRDA (Insurance Brokers) Regulations, 2013 and subject to para 4 above, we certify that all other regulations have been complied with by the Company.

D. 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 explanation given to us:

- The Company has disclosed the impact of pending litigations on its financial position in its financial statements
- The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- The company has provided requisite disclosure in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O.3407 (E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the Management we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For **Desai & Kinare**
Chartered Accountants

CA. S.B. Desai
Partner
M.No 034105

Place: Mumbai
Date : 29th May 2017

**Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is a service provider, primarily rendering insurance broking services. Accordingly it does not hold any physical inventories. Thus paragraph 3(ii) of the order is not applicable
- (iii) As explained to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013;
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans and investments.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, duty of

excise, service tax and value added tax have not been deposited by the Company on account of disputes:

Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved
Income Tax	Commissioner of Income Tax Appeals	Ay 2012-13	Rs 57,89,960/-

- (viii) Based on our audit and as explained to us, we are of the opinion that the Company has not defaulted in repayment of dues to any bank or financial institution;
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Desai & Kinare**
Chartered Accountants

CA Shashikant Desai
Partner
M. No. 034105

Place: Mumbai
Date: 29th May 2017

**Annexure - B to the Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of IIT Insurance Broking & Risk Management Private Limited ('the Company') as of 31st March 2017 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered accountants of India.

For **Desai & Kinare**
Chartered Accountants

CA Shashikant Desai
Partner
M. No. 034105

Place: Mumbai
Date: 29th May 2017



BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	25,000,000	25,000,000
Reserves and surplus	3	4,150,646	18,561,076
		29,150,646	43,561,076
Non-current liabilities			
Long-term provision	4	466,408	388,105
Long-term borrowings	5	59,183,000	19,179,000
		59,649,408	19,567,105
Current liabilities			
Short-term borrowings	6	-	31,800,000
Trade payables:			
(a) Total outstanding dues of micro enterprises and small enterprises; and	30	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	7	1,495,278	1,284,600
Other current liabilities	8	14,812,141	11,526,180
		16,307,419	44,610,780
TOTAL		105,107,473	107,738,961
ASSETS			
Non-current assets			
Fixed assets	9		
Tangible assets		82,849,379	87,188,897
Intangible assets		76,866	98,802
Deferred tax assets (net)	10	2,689,682	3,355,098
Long-term loans and advances	11	15,856,980	12,618,912
Other Non-Current assets	12	2,000,000	2,000,000
		103,472,907	105,261,709
Current assets			
Trade receivables	13	812,922	826,073
Cash and cash equivalents	14	372,155	1,122,804
Short-term loans and advances	15	231,491	459,480
Other current assets	16	217,998	68,895
		1,634,566	2,477,252
TOTAL		105,107,473	107,738,961

See accompanying notes forming part of the financial statements

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

For M/S Desai & Kinare

Chartered Accountants

SHASHIKANT DESAI

Partner

M No. : 34105

FRN: 119575W

Mumbai : 29th May, 2017

BIPIN AGARWAL VENKATESAN NARAYANAN

Director

Director

Mumbai : 29th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Revenue from operations	17	6,250,605	10,021,113
Other income	18	3,014,428	40,505
Total Revenue		9,265,033	10,061,618
Employee benefits expense	19	6,413,369	10,417,340
Finance Cost	20	8,703,677	7,005,603
Depreciation expense	9	4,329,200	4,734,099
Other expenses	21	5,249,408	7,478,676
Total expenses		24,695,654	29,635,718
Loss before tax		(15,430,621)	(19,574,100)
Tax expense:			
Deferred tax		665,416	103,399
Short/(Excess) provision for tax relating to prior years		(1,685,606)	-
		(1,020,190)	103,399
Loss for the year		(14,410,431)	(19,677,499)
Earnings Per Share:			
Basic and diluted		(5.76)	(7.87)
Nominal Value per equity share (₹)		10.00	10.00

See accompanying notes forming part of the financial statements

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

For M/S Desai & Kinare

Chartered Accountants

SHASHIKANT DESAI

Partner

M No. : 34105

FRN: 119575W

Mumbai : 29th May, 2017

BIPIN AGARWAL VENKATESAN NARAYANAN

Director

Director

Mumbai : 29th May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (Loss) before tax	(15,430,621)	(18,001,877)
Adjustments for:		
Depreciation on fixed assets	4,329,200	4,734,099
Interest on IT Refund AY 2014-2015	(1,474,424)	(40,505)
Profit on Sales of Fixed Assets	(30,859)	-
Finance Cost	8,703,677	7,005,603
Interest paid on Loan	(3,903,027)	(7,874,903)
Operating loss before working capital changes		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	13,151	366,227
Short-term loans and advances	227,990	212,703
Long term loans and advances	830,141	517,722
Other non-current assets	-	420,287
Other current assets	(149,103)	514,578
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	210,679	(74,240)
Other current liabilities	1,498,193	36,737
Long-term provisions	78,303	(298,610)
Cash flow from operations	(1,193,672)	(6,179,499)
Direct taxes Paid	(908,178)	(1,011,762)
Net Cash flow from / (used in) operating activities	(2,101,850)	(7,191,261)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(53,000)	(26,970)
Proceeds from Sale of Fixed assets	116,113	-
Net cash flow from / (used in) investing activities	63,113	(26,970)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Loan	(9,996,000)	(9,996,000)
Loan taken from holding Company	18,200,000	22,300,000
Interest paid on Loan	(2,759,372)	(4,019,297)
Interest paid on Loan to Holding Company	(4,156,539)	(2,321,111)
Net cash flow from / (used in) financing activities	1,288,089	(5,928,225)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(750,648)	(9,126,843)
As at the commencement of the year	1,122,804	11,504,286
As at end of the year	372,155	2,377,443

Note:

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

As per our report of even date
For M/S Desai & Kinare
Chartered Accountants

SHASHIKANT DESAI
Partner
M No. : 34105
FRN: 119575W

Mumbai : 29th May, 2017

For and on behalf of the Board of Directors

BIPIN AGARWAL
Director

VENKATESAN NARAYANAN
Director

Mumbai : 29th May, 2017

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017****1.1 Corporate Information**

IIT Insurance Broking and Risk Management Private Limited is a private limited company incorporated under the provisions of the Companies Act, 1956 with its registered head office situated at Mumbai. The company holds license from the 'Insurance Regulatory and Development Authority' (IRDA) of India (License No. 398) to operate as Direct Insurance Broker. The Company is a part of the 'Industrial Investment Trust Group'.

1.2 Significant Accounting Policies**(A) Basis of accounting:**

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.

(B) Use of Estimates:

The preparation of the financial statements is in conformity with the 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) Commission and brokerage is accounted as income on the date of issue of the prime documents by the insurance Company, except where there are material installments, in which case the brokerage is booked on the due date of the installment.
- (b) 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.
- (c) Interest income is accounted for on an accrual basis.

(D) Fixed Assets:

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost 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. The Carrying amount of assets, as on the date of Schedule II of the 2013 Act, comes into effect, are depreciated over the remaining

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**1.2 Significant Accounting Policies (contd.)**

useful life of the assets & after retaining residual value, balance amounts of assets are recognised in the opening balance of retained earning where the life of the assets are nil.

- (b) Depreciation on additions to fixed assets is provided for the full year irrespective of the date of addition. No depreciation is provided on deletions to fixed assets in the year of sale.

(F) Taxation:

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid to the income tax authorities in accordance with the Income-tax Act, 1961. Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rate and tax laws enacted or substantially enacted at the Balance Sheet date.

Deferred tax assets, other than on carried forward losses and unabsorbed depreciation are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be 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 reliability.

(G) 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.

(H) 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.

(I) 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 for the year in which the related service is rendered.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

1.2 Significant Accounting Policies (contd.)

(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 Plan are charged to Statement of Profit and Loss as incurred.

2. Defined Benefit Plans:

i. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes contribution to a fund managed by LIC of India based on management estimate made at the end of the year. Gains and losses are recognised in the Statement of Profit and Loss.

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 management estimate made at the end of the year. Gains and losses are recognised in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

1.2 Significant Accounting Policies (contd.)

(J) 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.



NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

2 Share Capital

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Authorised		
5,000,000 (previous year 5,000,000) Equity shares of ₹ 10 each	50,000,000	50,000,000
Issued, subscribed and paid-up:		
2,500,000 (previous year 2,500,000) Equity shares of ₹10 each fully paid-up	25,000,000	25,000,000
Total	25,000,000	25,000,000

a) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

b) Shares held by holding company

The entire equity share capital is held by Industrial Investment Trust Limited, the Holding Company including its nominee.

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

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Industrial Investment Trust limited	2,500,000	100.00	2,500,000	100.00

d) There is no movement in the number of shares in current as well as previous year.

e) 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.

3 Reserves and Surplus

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Surplus balance in Statement of Profit and Loss		
Opening Balance	13,006,158	32,683,657
Less: Depreciation on transition to Schedule II of Companies Act, 2013 on fixed assets with nil remaining useful life	-	-
Add: Loss for the Year	(14,410,431)	(19,677,499)
Closing Balance	(1,404,273)	13,006,158
General Reserve		
Opening Balance	5,554,919	5,554,919
Add: Transfer from Surplus in the statement of Profit and Loss	-	-
Closing Balance	5,554,919	5,554,919
	4,150,646	18,561,076

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

4 Long Term Provisions

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Provision for employee benefits - Compensated absences	197,627	388,105
Provision for gratuity	268,781	-
Total	466,408	388,105

5 Long Term Borrowings

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Loan from holding Company	50,000,000	-
Loan from Axis Bank Ltd	19,179,000	29,175,000
Less: Current maturities of long term borrowings (See Note 8)	9,996,000	9,996,000
	9,183,000	19,179,000
Total	59,183,000	19,179,000

Note:

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 ₹ 833,000; Number of Installments outstanding as at 31st March, 2017: 23 (As at 31st March 2016: 35)	Secured by equitable mortgage on Immovable Property.

6 Short Term Borrowings

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Loan from holding Company	-	31,800,000
	-	31,800,000

7 Trade Payables

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Expenses Payables	1,495,278	1,284,600
Total	1,495,278	1,284,600

8 Other current liabilities

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Current maturities of long term borrowings	9,996,000	9,996,000
Rent received in advance	1,400,000	-
Interest accrued and due	3,102,113	1,314,347
Duty and taxes Payable	314,028	215,833
	14,812,141	11,526,180



NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

9 Fixed assets - Tangible

(₹)

ASSETS	GROSS BLOCK				DEPRECIATION					NET BLOCK
	As at 1st April, 2016	Additions	Disposals	As at 31st March, 2017	As at 1st April, 2016	On disposal	Transition adjustment recorded against Surplus/ Deficit in the statement of profit & loss under Reserves and Surplus	For the period	As at 31st March, 2017	As at 31st March, 2017
Computers	6,139,059	-	633,559	5,505,500	5,841,622	602,235		5,656	5,245,043	260,457
	(6,130,289)	(8,770)	-	(6,139,059)	(5,832,200)	(831)	(5,884)	(16,137)	(5,841,622)	(297,437)
Furniture	1,352,486	50,000	89,100	1,313,386	958,474	39,100	-	101,792	1,021,166	292,220
	(1,352,486)	-	-	(1,352,486)	(820,756)	-	-	(137,718)	(958,474)	(394,012)
Office equipment	1,433,493	3,000	57,615	1,378,878	1,316,816	53,685	-	38,741	1,301,872	77,006
	(1,417,493)	(16,000)	-	(1,433,493)	(1,161,658)	-	(1,482)	(153,676)	(1,316,816)	(116,677)
Building	100,363,520	-	-	100,363,520	13,982,749	-	-	4,161,075	18,143,824	82,219,696
	(100,363,520)	-	-	(100,363,520)	(9,611,086)	-	-	(4,371,663)	(13,982,749)	(86,380,771)
Total	109,288,558	53,000	780,274	108,561,284	22,099,661	695,020	-	4,307,264	25,711,905	82,849,379
Previous year	(109,263,788)	(24,770)	-	(109,288,558)	(17,425,700)	(831)	(4,402)	(4,679,194)	(22,099,661)	(87,188,897)

Fixed assets - Intangible

(₹)

ASSETS	GROSS BLOCK				DEPRECIATION					NET BLOCK
	As at 1st April, 2016	Additions	Disposals	As at 31st March, 2017	As at 1st April, 2016	On disposal	Transition adjustment recorded against Surplus/ Deficit in the statement of profit & loss under Reserves and Surplus	For the period	As at 31st March, 2017	As at 31st March, 2017
Computer Softwares	1,664,999	-	-	1,664,999	1,566,197	-	-	21,936	1,588,133	76,866
	(1,662,799)	(2,200)	-	(1,664,999)	(1,506,059)	-	-	(60,138)	(1,566,197)	(98,802)
Total	1,664,999	-	-	1,664,999	1,566,197	-	-	21,936	1,588,133	76,866
Previous year	(1,662,799)	(2,200)	-	(1,664,999)	(1,506,059)	-	-	(60,138)	(1,566,197)	(98,802)

Figure stated in brackets pertain to the previous year

10 Deferred Tax assets

Nature of timing difference	Deferred tax assets/ (liabilities) As at 31st March, 2016 ₹	(Charge)/ credit for the current year ₹	Deferred tax assets/ (liabilities) As at 31st March, 2017 ₹
Deferred tax liabilities:			
Depreciation	1,214,218	(328,766)	885,452
Deferred tax assets:			
Disallowances under Section 43B of the Income Tax Act, 1961	119,924	176	120,101
Provision for Bad and Doubtful Debts	2,020,955	(336,826)	1,684,129
Net Amount	3,355,097	(665,416)	2,689,682

11 Long-term loans and advances

(considered good, unless otherwise stated)

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Unsecured:		
Security deposits	61,955	817,255
Advance payment of income tax [net of provision for tax ₹ 35,024,471 (as at 31st March, 2016 ₹ 43,514,691)] [also refer note no. 27 (b)].	15,795,025	11,726,817
Debit balance in gratuity fund	-	74,840
Total	15,856,980	12,618,912



NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

12 Other Non-Current Assets

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Bank Deposit with more than 12 months maturities (See Note 24)	2,000,000	2,000,000
Total	2,000,000	2,000,000

13 Trade receivables

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Unsecured Considered good		
Outstanding for a period more than six months	336,862	157,594
Others	476,060	668,479
Doubtful		
Outstanding for a period more than six months	6,540,307	6,540,307
	7,353,229	7,366,380
Less: Provision for doubtful debts	6,540,307	6,540,307
Total	812,922	826,073

14 Cash and cash equivalents

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Cash and cash equivalents (As per AS 3 Cash Flow Statements)		
Cash on hand	8,801	16,654
Balances with banks		
- In current accounts	363,354	13,394
Total	372,155	1,122,804

15 Short-term loans and advances (Unsecured, considered good unless otherwise stated)

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Balances with government authorities		
Service Tax credit receivable	-	80,642
Prepaid expenses	200,391	355,923
Advances to others	31,100	22,915
Total	231,491	459,480

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

16 Other current assets (Unsecured, considered good unless otherwise stated)

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Interest accrued but not due		
- Bank deposits	217,998	68,895
Total	217,998	68,895

17 Revenue from operations

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Brokerage on Insurance Service	6,084,935	9,800,503
Other operating income	165,670	220,610
Total	6,250,605	10,021,113

18 Other Income

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Rental Income	1,500,000	-
Interest on Income tax refund	1,474,424	-
Profit on sale of fixed assets	30,859	-
Liabilities no longer required written off	-	40,505
Miscellaneous income	9,145	-
Total	3,014,428	40,505

19 Employee benefits expense

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Payments to and provisions for employees:		
Salaries and Wages	5,286,940	9,099,725
Contribution to provident and other funds	696,463	748,594
Staff welfare expenses	429,966	569,021
Total	6,413,369	10,417,340

20 Finance Cost

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Interest on Loan paid to Holding Company	6,044,429	3,103,393
Interest on Loan paid to bank	2,659,248	3,902,210
Total	8,703,677	7,005,603



NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

21 Other Expenses

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Travelling and conveyance	538,380	983,504
Communication expenses	533,787	694,280
Insurance	87,847	340,119
Rent including lease rentals	2,075,181	2,560,837
Rates and taxes	12,635	195,755
Legal and Professional Fees	210,530	180,976
Repairs and Maintenance:		
-Buildings	646,093	839,494
-Computers	214,347	372,976
-Office equipment	4,300	10,250
	864,740	1,222,720
Electricity charges	299,562	463,801
Directors' fees	200,000	180,000
Printing and stationery	36,361	45,492
Payment to auditors	220,000	235,000
Bank Charges	1,555	22,746
Fees to Insurance Regulatory and Development Authority	65,106	112,000
Penalty paid to Insurance Regulatory and Development Authority	-	200,000
Miscellaneous expenditure	103,724	41,447
Total	5,249,408	7,478,676

22 Employees Benefits

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 19 for the year are as under:

Particulars	31st March, 2017 ₹	31st March, 2016 ₹
Employer's contribution to Regional Provident Fund Commissioner	74,158	144,773
Employer's contribution to Family pension Fund	145,704	310,947
Employer's contribution to ESIC	55,924	65,275

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

23 Considering the nature of business no separate information for segment disclosure required.

24 Amount in fixed deposits include ₹ 2,000,000 placed under lien with Insurance and Regulatory Development Authority of India.

25 During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other denomi- nations notes	Total
Closing cash in hand as on 08.11.2016	-	14,325	14,325
Add: Permitted receipts	-	31,900	31,900
Less: Permitted payments	-	(16,191)	(16,191)
Less: Amount deposited in banks	-	-	-
Closing cash in hand as on 30.12.2016	-	30,034	30,034

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

* The specified bank notes are not deposited and exchange with the bank.

26 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. The Company has not issued any potential equity shares and accordingly, the basic earnings per share and diluted earnings per share are the same. Values used in calculating earnings per share are as under:

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
(a) Profit/(Loss) after tax (₹)	(14,410,431)	(19,677,499)
(b) Weighted average number of equity shares	2,500,000	2,500,000
(c) Basic and diluted, earnings per equity share (in ₹)	(5.76)	(7.87)

27 Contingent Liabilities:

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Claims against the Company not acknowledge as debt		
- Claims filed with District Consumer Dispute Redressal Forum (refer footnote 'a' below)	594,510	594,510
- Disputed income-tax matters in appeal (refer footnote 'b' below)	16,201,310	16,201,310
	16,201,310	16,201,310



NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

- a) Claims made by Insurance policy holders against the Insurance company. The Company was made a party as the policies were procured through the company. The Company has no financial liability.
- b) The company had received demand pertaining to AY 2012-13 amounting to ₹ 16,201,310 against which the company has filed appeal. During the year the company has received refund of ₹ 10,410,352 for AY 2014-15 however the same is directly adjusted by the Income Tax Department against contingent liability of ₹ 16,201,310. The management is of the view that ₹ 10,410,352 as mentioned above is receivable from the department and therefore the same is shown as receivable in the books and not adjusted against the contingent liability.

28 Related party disclosures:

- (a) Names of related parties and nature of related party relationship:

Holding Company:	Industrial Investment Trust Limited
Fellow Subsidiary Company:	IIT Investtrust Limited IITL Projects Limited IITL Corporate Insurance Services Private Limited
Entities over which the group has significant influence:	Future Generali India Life Insurance Company Limited Nimbus India Limited Nimbus Projects Limited

(b) Transactions and year end balances

Sr. No.	Nature of transactions	Holding company	Fellow Subsidiaries	Entities over which the group has significant influence
(I)	Volume of transactions:			
(i)	Loans taken: -Industrial Investment Trust Limited	18,200,000 (22,300,000)	- -	- -
(ii)	Interest on loan -Industrial Investment Trust Limited	6,044,429 (3,113,285)	- -	- -
(iii)	Brokerage received during the period - Future generali India Life Insurance Company Limited	- -	- -	4,260,070 (7,805,192)
(iv)	Rent Received -Industrial Investment Trust Limited	1,500,000 -	- -	- -
(v)	Rent paid - Nimbus Projects Limited - Nimbus India Limited	- - -	- - -	100,000 - 266,667

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

28 Related party disclosures: (Contd.)

(b) Transactions and year end balances (Contd.)

(II)	Balances at year-end			
(A)	Amount payable as at year-end			
	-Industrial Investment Trust Limited	52,921,783 (32,833,789)	- -	- -
	Other Current liabilities	-	-	-
	-Industrial Investment Trust Limited	1,400,000 -	- -	- -
(B)	Amount receivable as at year-end			
	- Future generali India Life Insurance Company Limited	- -	- -	505,221 (435,297)

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

Figure stated in brackets pertain to the previous year

29 The details of Corporate Social Responsibility (CSR) expenditure are as below:

- (a) Gross amount of ₹ NIL/- (PY ₹ 590,103/-) was required to be spent by the Company during the year.
- (b) Amount spent during the year on:

	Particulars	Paid	Yet to be paid	Total
(i)	Construction/acquisition of any asset	-	-	-
		(-)	(-)	(-)
(ii)	On purposes other than (i) above	-	-	-
		(-)	(-)	(-)

Figures in brackets are for the previous year.

30 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.

31 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

SHASHIKANT DESAI BIPIN AGARWAL VENKATESAN NARAYANAN
Partner Director Director

M No. : 34105
FRN: 119575W

Mumbai : 29th May, 2017 Mumbai : 29th May, 2017

IITL CORPORATE INSURANCE SERVICES PRIVATE LIMITED
CIN: U66000MH2014PTC252349

BOARD OF DIRECTORS	:	Mr. Jeevanatham Ganapathy Mr. Vinod Vasantlal Mashru
BANKER	:	IDBI Bank Limited
AUDITOR	:	M/s Maharaj N R Suresh & Co
REGISTERED OFFICE	:	14E Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001. Tel: 022- 43250100 Email address: iitlcorporate@iitlgroup.com

DIRECTORS' REPORT

To

The Members,

Your Directors are pleased to present the Third Annual Report of the Company, together with the Audited Statement of Accounts for the financial year ended March 31, 2017.

Financial Performance

The summarized standalone results of your Company are given in the table below.

₹ in Lakhs

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Total Income	0.60	1.29
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	(4.01)	(3.22)
Finance Charges	-	-
Depreciation	-	-
Provision for Income Tax	-	-
Deferred Tax	-	-
Net Profit/(Loss) After Tax	(4.01)	(3.22)
Profit/(Loss) brought forward from previous year	(11.94)	(8.72)
Profit/(Loss) carried to Balance Sheet	(15.95)	(11.94)

Results of operations and state of Company's affairs

The Company had a gross income of ₹ 0.60 lakhs for the financial year ended March 31, 2017 (Previous year ₹ 1.29 lakhs) out of investments in Fixed Deposits. The Company's net loss before tax is ₹ 4.01 lakhs during the financial year (Previous year ₹ 3.22 lakhs).

Business Overview

The Company, a wholly owned subsidiary of Industrial Investment Trust Limited (IITL) was incorporated in January 2014 for undertaking the business of corporate agency (for category Life) of Future Generali India Life Insurance Company Limited (FGILICL).

The Company has not commenced any business activity till date as the Direct Broking and Corporate Agency (for category Life) business cannot be undertaken within the same group.

Material changes and commitments occurred after the close of the year ended March 31, 2017 till date of this report which affects the financial position of the Company

No material changes and commitments occurred after the close of the year ended March 31, 2017 till date of this report which affects the financial position of the Company.

Dividend

The Company has not commenced any business till date. Due to no operational income and profits, the Company could not declare any dividend.

Change in Capital Structure

During the year under review, there was no change in Capital Structure of the Company.

As on March 31, 2017, the issued, subscribed and paid up share capital of your Company stood at ₹ 25,00,000/-, comprising 2,50,000 Equity shares of ₹ 10/- each.

Subsidiary, Associate and Joint Ventures Companies

As on March 31, 2017, the Company had no subsidiary / joint ventures / associate companies.

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 operations were observed.

Directors

There was no change in Directorship during the year under review.

In accordance with the provisions of the Companies Act, 2013, Mr. Jeevanantham Ganapathy, retires by rotation and being eligible, offers himself for re-appointment, which your Directors consider to be in the interest of the Company.

Meetings of the Board

During the financial year ended March 31, 2017, the Board met 4 (Four) times on May 25, 2016, August 08, 2016, November 11, 2016 and February 08, 2017. The attendance of the Directors at the Board meetings is as follows:

Name of the Director	No. of meetings attended
Mr. Jeevanantham Ganapathy	4
Mr. Vinod Vasantlal Mashru	4

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, 2017, 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, 2017 and loss 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;
- The annual accounts have been prepared on a going concern basis;
- The systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

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

There were no loans given, investments made, guarantees given or securities provided by the Company which fall within the ambit of Section 186 of the Companies Act, 2013.

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:

The Company had no foreign exchange earnings and outgo during the financial year.

Risk Management

The Company has not commenced any business activity till date and hence does not anticipate any risk as of now.

Extract of Annual Return

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

Auditors and Auditors' Report

The members had at the First Annual General Meeting held on September 16, 2015, approved the appointment of M/s Maharaj N R Suresh & Co., Chartered Accountants (Firm Registration No. 001931S) as Statutory Auditors of the Company for the next five (5) financial years i.e. from 2015-2016 to 2019-2020.

Pursuant to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, the aforesaid appointment needs to be ratified by the members at the forthcoming Annual General Meeting. Accordingly, the Board of Directors recommends to the shareholders the ratification of appointment of M/s Maharaj N R Suresh & Co., Chartered Accountants, as the Statutory Auditors of the Company for the financial year ending on March 31, 2018.

A certificate has been obtained from M/s Maharaj N R Suresh & Co., Chartered Accountants that their appointment is within the prescribed limits under Section 141 of the Companies Act, 2013.

The observations and comments given in the report of the Auditors read together with Report on Internal Financial Controls and notes to accounts are self-explanatory and hence do not call for any further information and explanation or comments under Section 134(3)(f) of the Companies Act, 2013. The report does not contain any qualification, reservation or adverse remark or disclaimer.

Related party transactions

During the year under review, there were no 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 year 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.

Particulars of Employees as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Being an unlisted company, provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to your Company.

Public Deposits

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

Corporate Social Responsibility (CSR)

Currently, the Company does not come within the ambit of Section 135 of the Companies Act, 2013. The Company has not formulated CSR Policy and has not undertaken any CSR activity. Hence, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required to be made.

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

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, Internal Complaints Committee (ICC) has been set up to redress complaints. ICC has not received any complaints during the year 2016-2017.

On behalf of the Board of Directors

Jeevanantham Ganapathy Director (DIN: 03375366)	Vinod Vasantlal Mashru Director (DIN: 07391035)
--	--

Place : Mumbai
Date : August 08, 2017

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2017
of

IITL CORPORATE INSURANCE SERVICES PRIVATE 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: | U66000MH2014PTC252349 |
| ii) Registration Date: | 22.01.2014 |
| iii) Name of the Company | IITL CORPORATE INSURANCE SERVICES PRIVATE LIMITED |
| iv) Category/ Sub-Category of the Company | Private 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: iitlcorporate@iitlgroup.com |
| vi) Whether shares listed on recognized Stock Exchange(s) - Yes/No | No |
| vii) Name, Address and contact details of Registrar and Transfer Agent, if any | N.A. |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
The Company has not commenced any business till date and hence there were no commercial operations during the year 2016-2017.			

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	Industrial Investment Trust Limited Rajabhadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001.	L65990MH1933PLC001998	Holding	100%	2(46)

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	0	20	20	0.01	0	20	20	0.01	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	249980	249980	99.99	0	249980	249980	99.99	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1)	0	250000	250000	100.00	0	250000	250000	100.00	0.00
2. Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Body Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0	250000	250000	100.00	0	250000	250000	100.00	0.00



B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	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):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non- Institutions									
a) Bodies Corp									
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individuals Shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual Shareholders holding nominal capital in excess of ₹ 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify)									
Non Resident Indians (Repat)	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians (Non Repat)	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs									
i. Promoter and Promoter group	0	0	0	0.00	0	0	0	0.00	0.00
ii. Public	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total C:-	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	0	250000	250000	100.00	0	250000	250000	100.00	0.00

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	Industrial Investment Trust Limited	249980	99.992	0.00	249980	99.992	0.00	0.00
2	B.C. Maheshwari (On Behalf of the holding Company, Industrial Investment Trust Limited)	10	0.004	0.00	10	0.004	0.00	0.00
3	Manju Maheshwari (On Behalf of the holding Company, Industrial Investment Trust Limited)	10	0.004	0.00	10	0.004	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
	At the beginning of the year				
1	Industrial Investment Trust Limited	249980	99.992	249980	99.992
2	B.C. Maheshwari	10	0.004	10	0.004
3	Manju Maheshwari	10	0.004	10	0.004
	Total	250000	100.00	250000	100.00
	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):	<i>There is no change in the shareholding of promoters during the year 2016-2017</i>			
	At the End of the year	250000	100.00	250000	100.00

(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
1	NIL	NIL	N.A.	NIL	N.A.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year / end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
DIRECTORS:					
1	Jeevanantham Ganapathy				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	Nil	N.A.
	At the End of the year	Nil	N.A.	Nil	N.A.
2	Vinod Vasantlal Mashru				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	Nil	N.A.
	At the End of the year	Nil	N.A.	Nil	N.A.
KEY MANAGERIAL PERSONNEL:					
1	At the beginning of the year	Nil	N.A.	Nil	N.A.
	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.	Nil	N.A.
	At the End of the year	Nil	N.A.	Nil	N.A.



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

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

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole -time Directors and /or 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	NIL
	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	NIL
	others, specify	NIL
5	others, please specify	NIL
	Total (A)	NIL
	Ceiling as per the Act	N.A.

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Jeevanantham Ganapathy	Mr. Vinod Vasantlal Mashru	
1	Independent Directors			
	Fee for attending board committee meetings	--	--	--
	Commission	--	--	--
	Others, please specify	--	--	--
	Total (1)	--	--	--
2	Other Non-Executive Directors			
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act	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**

Sl No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO
1	Gross Salary	Not Applicable	Not Applicable	Not Applicable
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	Total			

VII PENALTIES/PUNISHMENT/COMPOUNDING OF 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					

On behalf of the Board of Directors

Place : Mumbai
Date : August 08, 2017Jeevanantham Ganapathy
Director
(DIN: 03375366)Vinod Vasantlal Mashru
Director
(DIN: 07391035)

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF IITL CORPORATE INSURANCE SERVICES PRIVATE LIMITED****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **IITL CORPORATE INSURANCE SERVICES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation 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.

Auditor's 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. 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, 2017, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (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 does not have any pending litigation, which would impact its financial position.
 - (ii) the Company did not have any long-term contracts, including derivative contracts; and
 - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the investor Education and protection Fund. Therefore the question of delay in transferring such sums does not arise.
 - (iv) The Company has provided requisite disclosure in the financial statements as to holdings as well as dealings in specified bank Notes during the period from 8th November 2016 to 30th December 2016. Based on the Audit procedure and relying on the management representation we report that the disclosure are in accordance with books of account maintained by the company and as produced to us by the management. (Refer Note 13)
2. The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, is not applicable as the Company we give in the Annexure "B" a statement on the matters specified in the Paragraphs 3 and 4 of the Order, to the extent applicable.

For Maharaj N R Suresh and Co
FRN001931S
Chartered Accountants

K V Srinivasan
Partner
M.No:204368

Place: Mumbai
Date: 29th May 2017

ANNEXURE “A” to The Independent Auditor’s Report of even date on the Standalone Financial Statements of IITL CORPORATE INSURANCE SERVICES PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of IITL Corporate Insurance Private Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that :

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the company; and

- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Annexure “B” to the Independent Auditors’ Report of even date on the Standalone Financial Statements of IITL Corporate Insurance Services Private Limited

- (i) (a) Based on our scrutiny of the Company’s books of account and other records and according to the information and explanation given to us, we are of the opinion that the question of maintenance of proper records of fixed assets and physical verification of fixed assets does not arise since the company had no fixed assets as on 31st March 2017 nor at any time during the financial year ended 31st March, 2017.
- (b) According to the information and explanation received by us, as the company owns no immovable properties, the requirements on reporting whether title deeds of immovable properties held in the name of the Company not applicable..
- (ii) According to the information and explanations given to us, and having regard to the company’s business reporting on clause 3(ii) of the Companies (Auditor’s report) order 2016 does not arise.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans and not made any Investments. The company has not provided any guarantee or security to any company covered under Section 185
- (v) The Company has not accepted any deposits from the public
- (vi) As per the explanation and information given to us, the Central Government has not prescribed maintenance of Cost Records under Sub-section (1) of Section 148 of the Companies Act, 2013. Accordingly the clause 4 (vi) of the order is not applicable to the company.



- (vii) According to the information and explanations given to us in respect of Statutory dues :
- (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Wealth tax, Service tax, and other material statutory dues applicable to it. There were no undisputed amounts payable in respect of Income Tax, Wealth tax, and Service tax, were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax and cess, which have not been deposited on account of any dispute.
- (viii) The Company has not defaulted in repayment of dues to financial institutions, banks, Government or to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of initial public offer or further public offer term loans (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- (xi) The Company has not paid or provided managerial remuneration.
- (xii) The Company is not a Nidhi company and hence clause (xii) of Paragraph 3 is not applicable to the Company.
- (xiii) All Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Maharaj N R Suresh and Co
FRN001931S
Chartered Accountants

K V Srinivasan
Partner
M.No:204368

Place: Mumbai
Date: 29th May 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
I. EQUITY AND LIABILITIES			
I Shareholders' funds			
a) Share capital	2	2,500,000	2,500,000
b) Reserves and surplus	3	(1,594,553)	(1,193,519)
		905,447	1,306,481
II Current liabilities			
Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises; and			
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		34,406	107,488
Other current liabilities	4	2,900	7,350
		37,306	114,838
TOTAL		942,753	1,421,319
II. ASSETS			
I Current assets			
Cash and cash equivalent	5	933,374	1,374,520
Short-term loans and advances	6	6,003	25,554
Other current assets	7	3,376	21,245
		942,753	1,421,319
TOTAL		942,753	1,421,319

Significant accounting policies 1

See accompanying notes forming part of the financial statements

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Revenue from operations			
Other Income	8	60,434	129,306
Total Revenue		60,434	129,306
Employee benefits expense			
	9	-	202,316
Other expenses			
	10	461,468	248,621
Total expenses		461,468	450,937
Loss for the Year/Period		(401,034)	(321,631)
Earnings per equity share: 11			
Basic and Diluted		(1.60)	(1.29)
Nominal value per equity shares (₹)		10.00	10.00

See accompanying notes forming part of the financial statements

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

For Maharaj N R Suresh and Co

Chartered Accountants

FRN : 001931S

K V SRINIVASAN
Partner
M.No:204368G Jeevanatham
DirectorVinod Mashru
Director

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

For Maharaj N R Suresh and Co

Chartered Accountants

FRN : 001931S

K V SRINIVASAN
Partner
M.No:204368G Jeevanatham
DirectorVinod Mashru
DirectorPlace: Mumbai
Date: 29th May 2017Place: Mumbai
Date: 29th May 2017

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax	(401,034)	(321,631)
Adjustments for:		
Interest income	(60,434)	(106,632)
Operating profit/(loss) before working capital changes	(461,468)	(428,263)
Changes in working capital		
Adjustment for (increase)/ decrease in operating assets:		
Short-term loans and advances	14,934	29,241
Adjustment for increase/ (decrease) in operating liabilities		
Trade payable	(73,082)	89,280
Other Current liabilities	(4,450)	(461)
Long term provisions	-	(85,099)
Cash flow from operations	(524,066)	(395,302)
Net income tax paid	4,976	-
Net cash generated from / (used in) operating activities	(519,090)	(395,302)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investment in fixed assets		
- Placed	(577,294)	(1,050,000)
- Matured	1,050,000	1,600,000
Interest Received	77,945	133,560
Net cash generated from / (used in) investing activities	550,651	683,560
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B)	31,561	288,259
As at the commencement of the year	324,520	36,261
As at the end of the year	356,080	324,520

Note:

1 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements.

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

For Maharaj N R Suresh and Co

Chartered Accountants

FRN : 001931S

K V SRINIVASAN
Partner
M.No:204368**G Jeevanatham**
Director**Vinod Mashru**
DirectorPlace: Mumbai
Date: 29th May 2017**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017****1 Significant Accounting Policies****1.1 Basis of accounting:**

The financial statements are prepared under historical cost convention, on an accrual basis and are in accordance with the requirements of the Companies Act, 2013 and comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rule, 2014. The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

1.2 Revenue Recognition:

Interest income is accounted for on an accrual basis.

1.3 Fixed Assets:

There are no Fixed assets in the books.

1.4 Investments:

There are no Investments in the books.

1.5 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. Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rate and tax laws enacted or substantially enacted at the Balance Sheet date.

Deferred tax assets other than on carried forward losses and unabsorbed depreciation are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

1.6 Provisions:

A provision is recognised when an enterprise has a present obligation as a result of past event 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 are not discounted to their present values and are determined based on management 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 management estimates.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
2 Share Capital

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Authorised		
500,000 (Previous year 5,00,000) Equity shares of ₹ 10 each	5,000,000	5,000,000
Issued, subscribed and paid-up:		
250,000 (previous year 2,50,000) Equity shares of ₹ 10 Each	2,500,000	2,500,000
Total	2,500,000	2,500,000

a) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

Reconciliation of the number of shares outstanding (Equity Shares)

Particulars	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2016
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	250,000	2,500,000	250,000	2,500,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	250,000	2,500,000	250,000	2,500,000

b) Shares held by holding company

The entire equity share capital is held by Industrial Investment Trust Limited, the Holding Company including its nominee as under:

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Industrial Investment Trust limited	250,000	100.00	250,000	100.00

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

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Industrial Investment Trust limited	250,000	100.00	250,000	100.00	250,000	100.00

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

3 Reserves and Surplus

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Surplus balance in Statement of Profit and Loss		
Opening Balance	(1,193,519)	(871,889)
Add: loss for the year	(401,034)	(321,631)
Closing Balance	(1,594,553)	(1,193,519)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
(Contd.)

4 Other current liabilities

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Statutory dues payable	2,900	7,350
Total	2,900	7,350

5 Cash and cash equivalents

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Cash and cash equivalents		
Balances with banks		
- In current accounts	339,373	321,323
Other Bank Balances		
- In fixed deposit accounts with original maturity upto 3 months	577,294	1,050,000
Cash on hand	16,707	3,197
Total	933,374	1,374,520

6 Short-term loans and advances

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Others -(unsecured, considered good)		
Prepaid expenses	-	10,003
Advance payment of income tax (net of provision)	6,003	10,620
Due from Related party	-	4,931
Total	6,003	25,554

7 Other Current Assets

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Interest accrued on:		
- bank Deposits	3,376	21,245
Total	3,376	21,245

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
(Contd.)

8 Other income

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Interest on Income Tax refund	358	106,632
Interest on Fixed Deposits	60,076	-
Liabilities no longer required written back	-	22,674
Total	60,434	129,306

9 Employee benefits expense

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Salaries and Wages	-	149,719
Contribution to provident and other funds	-	14,890
Staff Welfare	-	37,707
Total	-	202,316

10 Other expenses

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Rate and Taxes	7,305	28,381
Repair and Maintenance	8,900	-
Travelling and Conveyance	21,523	29,823
Directors Fees	-	130,000
Legal and Professional Fees	361,183	33,885
Communication Expenses	-	5,276
Printing and Stationery Expenses	580	-
Payment to auditors (See note 10(a) below)	17,496	17,156
Bank Charges	2,301	-
Miscellaneous Expenses	42,180	4,100
Total	461,468	248,621

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
(Contd.)

10(a) Payment to the auditors

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
For Statutory audit	15,246	15,000
Service tax	2,250	2,156
Total	17,496	17,156

11 Earnings per share

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
(a) Loss after tax (₹)	(401,034)	(321,631)
(b) Weighted average number of equity shares for Basic Earnings per share (Nos.)	250,000	250,000
(c) Basic Earnings per share (Face value ₹ 10/-)	(1.60)	(1.29)

12 Related party disclosures:

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

Holding Company : Industrial Investment Trust Ltd.

Fellow Subsidiaries : IIT Investtrust Limited

IITL Projects Limited

IIT Insurance Broking and Risk Management Private Limited

There are no transaction with related parties during the year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
(Contd.)

13 The details of Specified Bank notes and other currency notes held and transacted during the period from 08.11.2016 to 30.12.2016 are provided in the table below:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	1,246	1,246
(+) Permitted receipts	-	35,000	35,000
(-) Permitted payments	-	33,022	33,022
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	3,224	3,224

- 14 Previous year's figures have been regrouped/reclassified whenever necessary.

In terms of our report attached

For and on behalf of the Board of Directors

For Maharaj N R Suresh and Co

Chartered Accountants

FRN : 001931S

K V SRINIVASAN
Partner
M.No:204368

G Jeevanatham
Director

Vinod Mashru
Director

Place: Mumbai
Date: 29th May 2017

