IITL GROUP

Industrial Investment Trust Limited

Reports & Accounts of Subsidiary Companies

2020 - 2021

CONTENTS

IIT INVESTRUST LIMITED
CIN : U67190MH1992PLC070247

BOARD OF DIRECTORS	:	Mr. Bipin Agarwal Mr. Venkatesan Narayanan Mr. Milind Desai Mr. G.Jeevanantham - Whole-Time Director & CFO Mr. Mehul Chauhan - Whole-Time Director
BANKERS	:	Axis Bank Limited Canara Bank
AUDITORS	:	M/s. J.P.J Associates LLP Chartered Accountants
REGISTERED OFFICE	:	Office No. 101A, The Capital, G-Block, Plot N0.C-70, Bandra Kurla Complex, Bandra (East), Mumbai- 400051 Tel: 022 43250100, E-mail : iitinvestrust@iitlgroup.com Website : www.iitinvestrust.com

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 28th Annual Report of the Company, together with the Audited Statement of Accounts for the year ended March 31, 2021.

Financial Performance

The summarized results of your Company prepared in accordance with Indian Accounting Standards (Ind AS) are given in the table below.

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Income	10,193.68	13,470.03
Profit/(loss) before Interest, Depreciation, Discontinued operations & Tax (EBITDA)	4,231.73	(25,181.96)
Finance Charges	-	-
Depreciation	1,514.64	1,516.93
Provision for Income Tax (including for earlier years)	(3.68)	1.56
Discontinued Operations	-	-
Net Profit/(Loss) After Tax	2,720.77	(26,700.45)
Profit/(Loss) brought forward from previous year	2,697.57	30,910.47
Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life	-	(1,509.10)
Other Comprehensive income	15.24	(3.35)
Profit/(Loss) carried to Balance Sheet	5,433.58	2,697.57

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

Indian Accounting Standards

The Company has adopted Indian Accounting Standards (IND AS) from the FY 2018-19 and has replaced the existing Indian GAAP as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Results of operations and state of Company's affairs

The total income of the Company for the year ended on March 31, 2021 is ₹ 101.93 lakhs as compared to ₹ 134.70 lakhs in the previous year. The pre-tax profit of the Company for the current year is ₹ 27.17 lakhs as against the pre-tax loss of ₹ 266.99 lakhs for the preceding year.

The Company was in the business of Stock Broking and was also a registered Depository Participant. However, in June' 2019, The Company submitted application to BSE Limited (BSE) and National Stock Exchange of India Limited (NSEIL) for voluntary closure of Stock Broking business and surrender of membership with the Exchanges. The Company has received approvals from BSE and SEBI accepting the surrender of membership of the Company as a Stock Broker with BSE vide Letters dated March 25, 2021. The Company has also received approvals from NSEIL and SEBI accepting the surrender of membership of the Company as a Stock Broker with NSEIL vide Letters dated June 23, 2021 and August 06, 2021 respectively. Hence, IIT Investrust Limited ceases to be the Stock Broker.

The Company submitted an application to Central Depository Services (India) Limited (CDSL) for Surrender of License as Depository Participant. The said application for surrender of registration as Depository Participant was accepted by CDSL and the same has been approved by SEBI in February, 2020. Hence, IIT Investrust Limited ceases to be the Depository Participant.

The Company is currently looking for other viable business options to venture in.

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 that occurred after the close of the year till date of this report which affect the financial position of the Company.

Dividend

In view of inadequate profits, your Directors do not recommend any dividend for the year under review.

Transfer to Reserves

The Company has not transferred any amount to reserves during the year under review.

Change in Capital Structure

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

As on March 31, 2021, the issued, subscribed and paid up share capital of your Company stood at ₹ 12,50,00,000/-, comprising 1,25,00,000 Equity Shares of ₹ 10/- each.

Subsidiary, Associate and Joint Ventures

During the year under review and as on March 31, 2021, the Company had no subsidiary / joint ventures / associate companies.

Internal Financial Controls

Your management believes that adequate financial controls exist in relation to financial statements. The Internal financial controls are 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.

Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') the Annual Return of the Company has been placed on the website of the Company and can be accessed at http://www.iitinvestrust.com/Static/InvestorServices.aspx

Directors

Re-appointment of Whole-Time Director

Mr. G. Jeevanantham was re-appointed as a Whole-Time Director of the Company for a period of 3 years with effect from October 19, 2020 pursuant to the Resolution passed by the Board at its meeting held on October 16, 2019 and Special Resolution passed by the Members of the Company at their Extraordinary General Meeting held on November 30, 2020.

Apart from the aforementioned re-appointment, there was no change in the composition of the Board of Directors during the year under review.

The Board of Directors of your Company, as on the date of this Directors' Report comprises of the following Directors:

1. Mr. Bipin Agarwal
2. Mr. Venkatesan Narayanan
3. Mr. Milind Desai
4. Mr. G. Jeevanantham
5. Mr. Mehul Chauhan

Retiring by Rotation

As per the provisions of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mr. Mehul Chauhan (DIN: 08372114), retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, he offers himself for re-appointment.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013 the Key Managerial Personnel of the Company as on the date of this Directors' Report are - Mr. G.Jeevanantham, Whole-time Director & Chief Financial Officer, Mr. Mehul Chauhan, Whole-time Director and Mr. Aashish Sharma, Company Secretary of the Company.

Meetings of the Board

During the financial year ended March 31, 2021, the Board met 6 (Six) times on June 25, 2020, September 10, 2020, October 16, 2020, November 11, 2020, February 11, 2021 and March 24, 2021.

The attendance of the Directors at Board meetings was as follows:

Name of the Director	No. of meetings attended
Mr. Bipin Agarwal	6
Mr. Venkatesan Narayan	6
Mr. Milind Desai	6
Mr. Jeevanantham Ganapathy	6
Mr. Mehul Chauhan	6

Audit Committee

The Audit Committee was constituted 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, the Audit Committee met 4 (Four) times on June 25, 2020, September 10, 2020, November 11, 2020 and February 11, 2021. The attendance of the Members at the Audit Committee meetings was as follows:

Name of the Director	No. of meetings attended
Mr. Bipin Agarwal	4
Mr. Venkatesan Narayan	4
Mr. Milind Desai	4

The Board of Directors had accepted all the recommendations of the Audit Committee during the year under review.

Directors' Responsibility Statement

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

(a) In preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

(b) Such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2021 and profit of the Company for the year ended on that date;

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

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

(e) The 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. The said policy is available on the website of the Company at http://www.iitinvestrust.com/NRC-Policy.pdf

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

The details of loans given, investments made, guarantees given and securities provided under the provision of Section 186 of the Companies Act, 2013, are given in the Notes to the Financial Statements.

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 under review.

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

The Company has a Vigil Mechanism 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 fall 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

At the Annual General Meeting held on September 21, 2019, the members had appointed M/s. J.P.J Associates LLP, Chartered Accountants (Firm Registration No. 113012W) as Statutory Auditors of the Company to hold office for a period of two years commencing from the conclusion of the said Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2021. Prior to this period, M/s. J.P.J Associates LLP have already served as the Statutory Auditors of the Company for eight financial years commencing from 2011-12 to 2018-19.

Pursuant to the provisions of Section 139 of Companies Act, 2013, an audit firm cannot be appointed for conducting the audit of the Company for more than two terms of five consecutive years. Since, M/s. J.P.J Associates LLP has served as Statutory Auditors for ten financial years, they cannot be re-appointed as statutory auditors at the upcoming Annual General Meeting.

The Board of Directors, vide a resolution passed at its meeting held on August 12, 2021, has recommended the appointment of M/s. Desai and Kinare, Chartered Accountants (FRN: 119575W) as Statutory Auditors of the Company for a period of five consecutive years commencing from the conclusion of 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting to be held in the year 2026, for the approval of Shareholders at the ensuing Annual General Meeting.

The Company has received a letter under Section 141 of the Companies Act, 2013 from M/s. Desai and Kinare, Chartered Accountants, stating that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment.

Auditors' Report

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

All Related Party Transactions 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 hereto as Annexure.

None of the Directors have any pecuniary relationship 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 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.

General

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

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

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 2020-2021.

Transfer of amounts to Investor Education and Protection Fund

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

ISIN and dematerialization of Shares

Ministry of Corporate Affairs vide Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, has revised the provisions relating to transfer of securities and has mandated that the requests for effecting transfer of securities of unlisted public company shall not be processed unless the securities are held in dematerialized form.

This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities.

The Company has accordingly obtained International Securities Identification Number (INE04OZ01019) in order to facilitate dematerialization and transfer of its equity shares.

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

Acknowledgements

Your Directors wish to place on record their appreciation for the valuable co-operation, support and assistance received from the Government Departments and Local Authorities, Securities and Exchange Board of India, National Stock Exchange of India Limited, Bombay Stock Exchange Limited, Central Depository Services (India) Limited, Financial Institutions and Banks.

For and on behalf of the Board
IIT Investrust Limited

Mr. Bipin Agarwal	Mr. G. Jeevanantham
Director	Whole-Time Director
(DIN: 00001276)	(DIN:03375366)

Date: August 12, 2021
Place: Mumbai

Annexure

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, 2021 - **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, 2021:

Name(s) of the related party and nature of relationship	**NIL**
Nature of contracts / arrangements/ transactions	
Duration of the contracts / arrangements / transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Date(s) of approval by the Board, if any	
Amount paid as advances, if any	

For and on behalf of the Board
IIT Investrust Limited

Mr. Bipin Agarwal	**Mr. G. Jeevanantham**
Director	Whole-Time Director
(DIN: 00001276)	(DIN: 03375366)

Date: August 12, 2021
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of IIT Investrust Limited

Opinion

We have audited the accompanying Ind AS financial statements of **IIT Investrust Limited** ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as ''Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act'') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2021, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirement and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	***Financial exposure to Group Company*** As on 31st March, 2021, the Company has advances receivable from group company amounting of Rs.50 lakhs. Refer Note 6 to the financial statements. Considering the financial position of the Group Company, the Company has provided for Impairment.	***Principal Audit Procedures*** Our audit procedures in relation to management's assessment of impairment risk and financial exposure included the following: • Evaluating and validating the design and operating effectiveness of the controls over determination of recoverable value of advances (including assumptions and judgements); • Assessing along with the auditors' experts the reasonableness of the Company's process regarding impairment assessment and assumptions used in the impairment model; • Evaluating the Company's impairment testing results against our expectations; • Testing the mathematical accuracy of the underlying calculations. Based on the above procedures performed, the management's assessment in respect of impairment risk of financial exposure is considered to be reasonable.
2.	***Evaluation of Uncertain Tax positions*** The Company has material uncertain tax position including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 31 to the financial statements.	***Principal Audit Procedures*** Obtained details of completed tax assessments and demands for the year ended March 31, 2021 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

Emphasis on Matter

As discussed in note 30 to the financial statement, we would like to draw your attention to the following notes which states as under:

Stock Broking Operations:

The Company in its board meeting held on May 22, 2019 has decided for voluntary closure of its stock broking business in all segment with National Stock Exchange of India and Bombay Stock Exchange limited. Subsequently, the company has made application to stock exchanges for surrender of membership during the year ended March 31, 2020. However, regulatory approval for cancellation of membership is under process.

Considering the materiality of net income from this segment to total income, the segment is shown under continuing operation.

Our opinion is not modified in respect of these matters.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

Further to the continuous spreading of COVID-19 across India, the government announced a strict lockdown across the state to contain the spread of the virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, the entire audit was carried out based on remote access of the data as provided the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/Remote Audit/Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our opinion is not modified in respect of this matter.

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, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid Ind AS 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed impact of pending litigations on its financial position in its standalone financial statements. Refer note 31 to the financial statement.
      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.

For J.P.J. ASSOCIATES LLP
Chartered Accountants
Firm's Registration Number: 113012W/W100296

CA Pravin Deshpande
Partner
M.No.045249

Mumbai
Dated: 23rd June, 2021
UDIN: 21045249AAAAAQ4411

Annexure - A to the Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2021, 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 title deeds of immovable properties are held in the name of the company.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(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) The Company has granted loans to a party covered in the register maintained under section 189 of the Act. The schedule of repayment of principal is as per the terms of agreement. However, the party has not paid the interest to the Company as per the terms of the agreement.

c) As per the information and explanations given to us, total amount of interest over due is ₹18,46,288/-. The Company is taking necessary steps to recover the over due interest.

(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, Wealth tax, Duty of Customs, 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, 2021 for a period of more than six months from the date they became payable.

(b) According to the records of the Company, the dues of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, goods and services tax and cess which have not been deposited on account of any dispute, are as follows:

Name of the Statue	Nature of disputed dues	Amount under dispute (₹)**	Amount paid*(₹)	Period to which the amount related	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	76,99,060/-	20,00,000/-	FY 2011-12	Commissioner of Income Tax (Appeals)

*paid under protest ** includes interest

(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) The Company is not a Nidhi Company and hence reporting under clause (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 LLP
Chartered Accountants
Firm's Registration Number: 113012W/W100296

CA Pravin Deshpande
Partner
M.No.045249

Mumbai
Dated: 23rd June, 2021
UDIN: 21045249AAAAAQ4411

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 31 March, 2021 in conjunction with our statutory audit of the Ind AS 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 Ind AS 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 31 March 2021, 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 LLP
Chartered Accountants
Firm's Registration Number: 113012W/W100296

CA Pravin Deshpande
Partner
M.No.045249

Mumbai
Dated: 23rd June, 2021
UDIN: 21045249AAAAAQ4411

AUDITED BALANCE SHEET AS AT MARCH 31, 2021

(₹ in '000)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
I. Financial assets			
Cash and cash equivalents	3	1,622.97	1,438.24
Bank balances other than above	4	18,375.00	18,375.00
Receivables			
(i) Trade receivables		-	-
(ii) Other receivables	5	222.83	307.49
Loans	6	-	-
Investments	7	48,617.98	44,910.03
Other financial assets	8	15,747.70	15,743.67
		84,586.48	**80,774.43**
II. Non-financial assets			
Current tax assets (net)	9	2,634.61	2,349.26
Investment property	10	43,128.56	44,637.67
Property, plant and equipment	11	32.86	81.24
Other Intangible assets	12	10.06	13.33
Other non-financial assets	13	1,592.28	1,420.10
		47,398.37	**48,501.60**
Total Assets		**131,984.85**	**129,276.03**
LIABILITIES AND EQUITY			
LIABILITIES			
I. Financial Liabilities			
Payable	14		
(i) Trade payable			
- total outstanding dues of micro enterprises and small enterprises		7.86	105.30
- total outstanding dues of other than micro enterprises and small enterprises		138.71	200.93
(ii) Other payable			
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of other than micro enterprises and small enterprises		-	-
		146.57	**306.23**
II. Non-financial Liabilities			
Provisions	15	84.18	57.87
Deferred tax liabilities (net)	16	8.39	6.72
Other non-financial liabilities	17	142.13	37.64
		234.70	**102.23**
III. EQUITY			
Equity Share Capital	18	125,000.00	125,000.00
Other equity	19	6,603.58	3,867.57
		131,603.58	**128,867.57**
Total Liabilities and Equity		**131,984.85**	**129,276.03**

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

In terms of our report attached.

For J P J ASSOCIATES LLP
Chartered Accountants
Firm Registration : 113012W/W100296

Pravin Deshpande
Partner
Membership No : 045249

Mumbai: June 23, 2021

For and on behalf of the Board of Directors

G Jeevanantham
Executive Director & CFO
DIN : 03375366

Mehul Chauhan
Executive Director
DIN : 08372114

Aashish Sharma
Company Secretary

Mumbai : June 23, 2021

AUDITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in '000)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from Operations			
Interest income	20	8,417.86	12,064.36
Dividend income	21	4.07	6.64
Rental income	22	1,500.00	1,500.00
Others	23	271.75	(100.97)
Total revenue from operation		10,193.68	13,470.03
Total Income		**10,193.68**	**13,470.03**
Expenses			
Net loss on fair value changes	24	3,189.56	31,592.49
Impairment on financial instruments	25	558.68	3,727.89
Employee benefits expenses	26	1,323.87	1,674.50
Depreciation, amortization and impairment	27	1,514.64	1,516.93
Other expenses	28	889.84	1,657.11
Total Expenses		**7,476.59**	**40,168.92**
Profit/(Loss) before tax		**2,717.09**	**(26,698.89)**
Tax expenses	29		
Current tax		-	5.35
Deferred tax		(3.68)	(3.79)
		(3.68)	1.56
Profit/(Loss) after tax		**2,720.77**	**(26,700.45)**
Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability/asset		(20.60)	4.53
Tax on remeasurement of defined benefit - Actuarial gain or loss		5.36	(1.18)
Other comprehensive income		**(15.24)**	**3.35**
Total comprehensive income/(loss) for the year		**2,736.01**	**(26,703.80)**
Earning per Equity Shares of ₹ 10 each			
- Basic and Diluted (₹)		0.22	(2.14)

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

In terms of our report attached.

For J P J ASSOCIATES LLP
Chartered Accountants
Firm Registration : 113012W/W100296

Pravin Deshpande
Partner
Membership No : 045249

Mumbai: June 23, 2021

For and on behalf of the Board of Directors

G Jeevanantham
Executive Director & CFO
DIN : 03375366

Mehul Chauhan
Executive Director
DIN : 08372114

Aashish Sharma
Company Secretary

Mumbai : June 23, 2021

STATEMENT OF CHANGES IN EQUITY

(A) Share capital (₹ in '000)

Particulars	Equity Share Capital
As at March 31, 2019	125,000.00
Changes in equity share capital	-
As at March 31, 2020	125,000.00
Changes in equity share capital	-
As at March 31, 2021	125,000.00

(B) Other equity

Reserve and Surplus (₹ in '000)

Particulars	General Reserve	Retained earnings	Total
Balance as at April 1, 2019	1,170.00	30,910.47	**32,080.47**
Depreciation on Re classification to Investment property from assets held for sale	-	(1,509.10)	**(1,509.10)**
<u>Changes in equity during the year</u>			
Remeasurement of the net defined benefit liability/ asset (net of tax)	-	(3.35)	**(3.35)**
Profit/(Loss) for the year	-	(26,700.45)	**(26,700.45)**
Balance as at March 31, 2020	**1,170.00**	**2,697.57**	**3,867.57**
Balance as at April 1, 2020	1,170.00	2,697.57	**3,867.57**
Depreciation on Re classification to Investment property from assets held for sale	-	-	**-**
<u>Changes in equity during the year</u>			
Remeasurement of the net defined benefit liability/ asset (net of tax)	-	15.24	**15.24**
Profit/(Loss) for the year	-	2,720.77	**2,720.77**
Balance as at March 31, 2021	**1,170.00**	**5,433.58**	**6,603.58**

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

In terms of our report attached.

For J P J ASSOCIATES LLP
Chartered Accountants
Firm Registration : 113012W/W100296

Pravin Deshpande
Partner
Membership No : 045249

Mumbai: June 23, 2021

For and on behalf of the Board of Directors

G Jeevanantham
Executive Director & CFO
DIN : 03375366

Mehul Chauhan
Executive Director
DIN : 08372114

Aashish Sharma
Company Secretary

Mumbai : June 23, 2021

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash Flow from operating activities		
Profit before tax	2,717.09	(26,698.89)
Adjustment for:		
Depreciation on Property, plant and equipments	5.54	6.67
Depreciation on Intangible assets	-	1.16
Property, plant and equipment Write off	-	46.49
Loss on sale of Property, plant and equipment	26.28	-
Depreciation on investment properties	1,509.10	1,509.10
Net loss on fair value changes	3,189.56	31,592.49
Interest income	(1,790.94)	(2,142.38)
Preference share amortisation income	(6,626.92)	(9,921.98)
Impairment of financial instruments	558.68	3,727.89
MTM on investments in equities	-	96.79
Operating profit/(loss) before working capital changes	**(411.61)**	**(1,782.66)**
Changes in working capital		
Equity shares held for trading	(270.59)	4.39
Trade and other receivables	(560.46)	(1,285.83)
Other financial assets	(4.03)	3,183.47
Other non-financial assets	(172.18)	22.65
Trade payable	(159.66)	115.00
Provisions	46.91	17.64
Other non-financial liabilities	104.49	(2.42)
Cash generated/(used in) from operations	**(1,427.13)**	**272.24**
Direct Tax (paid)/refund	(285.35)	(1,950.90)
Net Cash inflow/(outflow) from operating activities	**(1,712.48)**	**(1,678.66)**
B. Cash flow from investing activities		
Purchase of Property, plant and equipment	-	(11.32)
Sale proceeds of Property, plant and equipment	19.83	-
Interest received	1,877.38	2,796.78
Net Cash inflow/(outflow) from investment activities	**1,897.21**	**2,785.46**
Net increase/(decrease) in cash and cash equivalents	**184.73**	**1,106.80**
Cash and cash equivalents at the beginning of the year	1,438.24	331.44
Cash and cash equivalents at the end of the year	**1,622.97**	**1,438.24**
Components of cash and cash equivalents		
i) Cash on hand	30.15	0.29
ii) Balances with banks		
- In current accounts	428.82	310.51
- in deposit accounts with original maturity of less than 3 months	1,164.00	1,127.44
Total cash and cash equivalents	**1,622.97**	**1,438.24**

Note:

1. The above statement of cash flows should be read in conjunction with the accompanying notes.
2. Cash from operating activities has been prepared following the Indirect Method as per Ind AS 7 Statement of Cash Flow.

In terms of our report attached.

For J P J ASSOCIATES LLP
Chartered Accountants
Firm Registration : 113012W/W100296

Pravin Deshpande
Partner
Membership No : 045249

Mumbai: June 23, 2021

For and on behalf of the Board of Directors

G Jeevanantham
Executive Director & CFO
DIN : 03375366

Mehul Chauhan
Executive Director
DIN : 08372114

Aashish Sharma
Company Secretary

Mumbai : June 23, 2021

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Corporate information

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

2 Significant Accounting Policies

2.1 Basis of preparation

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

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

- certain financial assets and liabilities that is measured at fair value;

- defined benefit plans - plan assets measured at fair value.

2.2 Use of Judgements, Estimates and Assumption

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

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

2.3 Functional and presentation currency

The financial statements are prepared in Indian Rupees, which is the Company’s functional currency.

2.4 New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2019:

a) Ind AS 116, Leases

b) Uncertainty over income tax treatment - Appendix C to Ind AS 12, Income Taxes

c) Plan Amendment, Curtailment or Settlement - Amendments to Ind AS 19, Employee Benefits

d) Amendment to Ind AS 12, Income Taxes

e) Amendment to Ind AS 23, Borrowing costs

The amendments listed above did not have material impact on the amounts recognised in prior periods and are not expected to significantly affects the current or future periods.

2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company’s activities as described below. Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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 Primary market has been recognised on the basis of advice from the Registrar regarding allotment.

d) Profit/Losses from share trading/investment activities is determined on the basis of weighted average carrying amount of investments and is recognised on the basis of contract notes.

e) Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

f) Income from rent is accounted on accrual basis.

g) Dividend income is recognised when the right to receive payment is established.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.6 Property, Plant and Equipment (PPE)

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

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

The residual useful life of Property, Plant and Equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates.

<u>Depreciation methods, estimated useful lives and residual value</u>

Depreciation on all assets of the Company is charged on straight line method to its cost, net of residual value, over the useful life of assets mentioned in Schedule II to the Companies Act, 2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year.

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

Assets	Estimated useful life (years)
Furniture and fixtures	10 Years
Computers	3 Years
Office equipment	5 Years

<u>De-recognition</u>

PPE are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.

2.7 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight line method, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The management has estimated the economic useful life for the Computer Software (intangible assets) as follows.

Assets	Estimated useful life (years)
Computer software	3 Years

2.8 Financial instruments

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

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

Financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

ii) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

b) Measurement

Initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

After initial recognition, financial assets are measured at:

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

ii) amortized cost

Debt instruments :

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

The company classifies its debt instruments into three measurement categories:

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

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

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

c) Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

d) De-recognition

A financial asset is derecognised only when:

i) the rights to receive cash flows from the asset have expired, or

ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient. or

iii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

Financial liabilities

a) Measurement

Initial recognition

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

Subsequent Measurement

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

b) De-recognition

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

2.9 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transition to sell the asset or transfer or transfer liability takes place either:

a) In the principal market for the asset or liability ,or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The Principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are more appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable input and minimizing the use of unobservable inputs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets of liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristic and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.10 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.

Contingent Liabilities are disclosed if a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Contingent liabilities are not recognized but are disclosed in the notes. If the possibility of an outflow of resources is remote, disclosure is not required.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are neither recognized nor disclosed in the Financial Statements. However, when the realization of income is virtually certain, then the related asset is recognized. A contingent asset is disclosed, when an inflow of economic benefits is probable.

2.11 Impairment of non-financial assets:

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

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.

2.13 Cash and cash equivalents

Cash and cash equivalent comprise cash on hand and at bank, demand deposit and shot term deposits, which are subject to an insignificant risk of changes in value.

2.14 Segment reporting

Based on the “management approach” as defined in Ind AS 108 - Operating Segments, the Board of Directors evaluates the company’s performance based on an analysis of various performance indicators by business segment. Segment revenue and expense include amounts which can be directly attributable to the segment and allocable on reasonable basis. Segment assets and liabilities are assets / liabilities which are directly attributable to the segment or can be allocated on a reasonable basis. Income / expenses / assets / liabilities relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses / assets / liabilities.

2.15 leases:

a) Where the Company is the lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

b) Where the Company is the lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.16 Taxation

a) Current income tax

The Company’s tax jurisdiction is in India and files Income tax returns only in India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period in the countries where the Company, its branches and jointly controlled operations operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretations. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with interests in joint operations except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when entity has legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.17 Investment Properties

a) Recognition and initial measurement

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

b) subsequent measurement

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

When significant components of investment properties are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation, if these components are initially recognised as separate asset. All other repairs and maintenance costs are recognised in the Profit and Loss Statement as incurred.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

The carrying amount of investment property is reviewed periodically for impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

c) De-recognition

Investment properties are derecognised wither when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit & Loss in the period of de-recognition.

2.18 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.

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 FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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

Particulars		As at March 31, 2021	As at March 31, 2020
Cash on hand		30.15	0.29
Balances with banks			
- In current accounts		428.82	310.51
- in deposit accounts with original maturity of less than 3 months		1,164.00	1,127.44
	Total	**1,622.97**	**1,438.24**

Note 4 : Bank Balance other than Cash and cash equivalents (₹ in ‘000)

Particulars		As at March 31, 2021	As at March 31, 2020
In deposit accounts*		18,375.00	18,375.00
	Total	**18,375.00**	**18,375.00**
* Includes fixed deposits under lien with stock exchanges		7,375.00	13,375.00

Note 5 : Other receivables (₹ in ‘000)

Particulars		As at March 31, 2021	As at March 31, 2020
Receivable considered good - secured		-	-
Receivable considered good - unsecured		-	-
from related parties			
Interest accrued and due on loans		-	-
Interest accrued but not due on loans		-	-
Other receivables		1.78	-
from others			
Interest accrued but not due on bank deposit		221.05	307.49
Receivable which have significant increase in credit risk		1,846.29	1,287.61
Receivable - credit impaired		-	-
Less: Impairment allowance (expected credit loss)		(1,846.29)	(1,287.61)
	Total	**222.83**	**307.49**

Note 6 : Loans (₹ in ‘000)

Particulars		As at March 31, 2021	As at March 31, 2020
(A)At amortised cost			
Term loans:			
to entity under significant influence		5,000.00	5,000.00
Less: expected credit loss		(5,000.00)	(5,000.00)
		-	**-**
(B)At fair value			
(i) Through Other Comprehensive Income		-	-
(ii) Through Profit or loss		-	-
(iii) Designated at fair value through profit or loss		-	-
		-	-
	Total	**-**	**-**

Disclosures:

i) Details of loans and advances in the nature of loans firms/companies in which directors are interested: **(₹ in ‘000)**

Name of the Company and relationship		As at March 31, 2021	As at March 31, 2020
Entities under significant influence			
IITL Nimbus The Palm Village		5,000.00	5,000.00
	Total	**5,000.00**	**5,000.00**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 6 : Loans (contd.)

ii) Details of expected credit loss on loans and advances in nature of loans to firms/companies in which directors are interested:

(₹ in '000)

Name of the Company and relationship		As at March 31, 2021	As at March 31, 2020
Entities under significant influence			
IITL Nimbus The Palm Village		6,846.29	6,287.61
	Total	**6,846.29**	**6,287.61**

Movement in expected credit loss allowances		
Balance at the beginning of the period	6,287.61	2,559.72
Movement in expected credit loss allowances during the year	558.68	3,727.89
Provision at the end of the year	6,846.29	6,287.61

iii) Other information

(₹ in '000)

	As at March 31, 2021	As at March 31, 2020
loans in India	5,000	5,000
loans outside India	-	-

Note 7 : Investments

(₹ in '000)

Particulars	Face value	As at March 31, 2021	As at March 31, 2020
Investment in preference share (unquoted) - (FVTPL)			
World Resort Limited (Refer note 34)	10	47,913.35	44,475.99
1,875,000 shares (P.Y. 1,875,000)			
Investment in Equity share (quoted)		704.63	434.04
Total		**48,617.98**	**44,910.03**

Quoted Investments : Investments at Fair Value through P&L

Investments in Equity Shares

Name of Equity	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount (₹'000)	No. of Shares	Amount (₹'000)
Apollo Tyre Ltd.	300	67.13	300	23.81
Hindustan Petroleum Corporation Ltd.	300	70.37	300	57.05
Kotak Bank Ltd.	78	136.80	78	101.10
The New India Assurance Company Ltd.	500	77.18	500	56.10
Reliance Industries Ltd.	175	350.56	175	194.68
Dolat Investment Ltd.	37	2.59	37	1.30
Total	**1390**	**704.63**	**1390**	**434.04**

Note 8 : Other financial assets

(₹ in '000)

Particulars		As at March 31, 2021	As at March 31, 2020
Security deposits		15,718.60	15,718.60
Other receivables		29.10	25.07
	Total	**15,747.70**	**15,743.67**

Note 9 : Current tax assets (net)

(₹ in '000)

Particulars		As at March 31, 2021	As at March 31, 2020
Advance payment of income tax (net)		2,634.61	2,349.26
	Total	**2,634.61**	**2,349.26**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 10 : Investment property

(₹ in '000)

Particulars	Amount
Gross carrying amount	
As at April 1, 2019	-
Property re-classified as Investment Property from held for sale	47,655.87
Deductions and adjustments	-
As at March 31, 2020	**47,655.87**
Accumulated amortisation and impairment	
As at April 1, 2019	-
Adjustment from retained earning on reclassification of investment from held for sale assets	1,509.10
Depreciation charged during the year	1,509.10
As at March 31, 2020	**3,018.20**
Net carrying amount as of March 31, 2020	**44,637.67**
Gross carrying amount	
As at April 1, 2020	47,655.87
Deductions and adjustments	-
As at March 31, 2021	**47,655.87**
Accumulated amortisation and impairment	
As at April 1, 2020	3,018.20
Depreciation charged during the year	1,509.11
As at March 31, 2021	**4,527.31**
Net carrying amount as at March 31, 2021	**43,128.56**

(₹ in '000)

	As at March 31, 2021	**As at March 31, 2020**
Fair value as per circle rate	45,532.96	45,532.96

Notes:

(a) Depreciation is provided based on useful life on straight line basis as per Schedule II of Companies Act, 2013 i.e 30 years.

(b) Disclosure pursuant to Ind AS 40 "Investment Property"

(i) Amount recognised in the Statement of Profit and Loss for investment property:

(₹ in '000)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Rental income derived from investment property	1,500.00	1,500.00
Direct operating expenses arising from investment property that generated rental income	-	-

Note 11 : Property, plant and equipment

(₹ in '000)

Particulars	**Furniture and fixtures**	**Computers**	**Office Equipment**	**Total**
Gross carrying amount				
As at April 1, 2019	47.90	1,871.67	145.22	2,064.79
Additions/reclassification	-	11.32	-	11.32
Deductions and adjustments	-	611.39	1.22	612.61
As at March 31, 2020	**47.90**	**1,271.60**	**144.00**	**1,463.50**
Accumulated depreciation and impairment				
As at April 1, 2019	43.92	1,775.69	137.96	1,957.57
Depreciation charged during the year	1.41	5.26	-	6.67
Disposals	-	580.82	1.16	581.98
As at March 31, 2020	**45.33**	**1,200.13**	**136.80**	**1,382.26**
Net carrying amount as at March 31, 2020	**2.57**	**71.47**	**7.20**	**81.24**
Gross carrying amount				
As at April 1, 2020	47.90	1,271.60	144.00	1,463.50
Additions/reclassification	-	-	-	-
Deductions and adjustments	47.90	661.37	144.00	853.27
As at March 31, 2021	**-**	**610.23**	**-**	**610.23**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 11 : Property, plant and equipment (Contd.)

Particulars	Furniture and fixtures	Computers	Office Equipment	Total
Accumulated depreciation and impairment				
As at April 1, 2020	45.33	1,200.13	136.80	1,382.26
Depreciation charged during the year	-	5.54	-	5.54
Impairment loss	-	-	-	-
Disposals	45.33	628.30	136.80	810.43
As at March 31, 2021	**-**	**577.37**	**-**	**577.37**
Net carrying amount As at March 31, 2021	**-**	**32.86**	**-**	**32.86**

Note 12 : Other Intangible assets (₹ in '000)

Particulars	Computer Software	Total
Gross carrying amount		
As at April 1, 2019	601.08	601.08
Additions/reclassification	-	-
Deductions and adjustments	317.10	317.10
As at March 31, 2020	**283.98**	**283.98**
Accumulated amortisation and impairment		
As at April 1, 2019	570.73	570.73
Depreciation charged during the year	1.16	1.16
Disposals	301.24	301.24
As at March 31, 2020	**270.65**	**270.65**
Net carrying amount as of March 31, 2020	**13.33**	**13.33**
Gross carrying amount		
As at April 1, 2020	283.98	283.98
Additions/reclassification	-	-
Deductions and adjustments	65.50	65.50
As at March 31, 2021	**218.48**	**218.48**
Accumulated amortisation and impairment		
As at April 1, 2020	270.65	270.65
Depreciation charged during the year	-	-
Impairment loss		-
Disposals	62.23	62.23
As at March 31, 2021	**208.42**	**208.42**
Net carrying amount as at March 31, 2021	**10.06**	**10.06**

Note 13 : Other non-financial assets (₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid/Advance for expenses	196.50	43.53
Gratuity fund balance	32.29	25.83
Balance with government authorities	985.86	973.11
Others	377.63	377.63
Total	**1,592.28**	**1,420.10**

Note 14 : Payable **(₹ in '000)**

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Trade payable		
total outstanding dues of micro enterprises and small enterprises	7.86	105.30
total outstanding dues of other than micro enterprises and small enterprises	138.71	200.93
	146.57	306.23
(ii) Other payable		
total outstanding dues of micro enterprises and small enterprises	-	-
total outstanding dues of other than micro enterprises and small enterprises	-	-
	-	-
Total	**146.57**	**306.23**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 14 : Payable (contd.)

Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follow : (₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
i) Principal amount and interest due thereon remaining unpaid to each supplier at the end of each accounting year	7.86	105.30
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

Note 15 : Provisions (₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits:		
- Compensated absences	84.18	57.87
Total	**84.18**	**57.87**

Note 16 : Deferred tax liabilities (net)

a) Deferred tax (₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities		
Employee benefit	8.39	6.72
Total	**8.39**	**6.72**

The company has not recognised deferred tax assets on prudent basis.

b) Movement in deferred tax liabilities/assets (₹ in '000)

Particulars	Employee benefit	Total
As at April 1, 2019	**11.69**	**11.69**
(Charged)/credited :		
- to profit or loss statement	(3.79)	(3.79)
- to other comprehensive income	(1.18)	(1.18)
	(4.97)	(4.97)
As at March 31, 2020	**6.72**	**6.72**
(Charged)/credited :		
- to profit or loss statement	(3.68)	(3.68)
- to other comprehensive income	5.36	5.36
	1.68	1.68
As at March 31, 2021	**8.40**	**8.40**

Note 17 : Other non-financial liabilities (₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Other payables:		
- Statutory remittances (Contributions to PF, Service Tax, GST etc.)	25.44	30.97
- Others	116.69	6.67
Total	**142.13**	**37.64**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 18 : Equity Share Capital (₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Authorized Share Capital		
25,000,000 Equity shares of ₹10/- each	250,000.00	250,000.00
(ii) Issued, Subscribed & Fully Paid Up Share Capital		
12,500,000 Equity shares of ₹10/- each	125,000.00	125,000.00

Disclosures:

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

Equity Shares	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount (₹ in '000)	No. of Shares	Amount (₹ in '000)
Opening Balance	12,500,000	125,000.00	12,500,000	125,000.00
Fresh Issue	-	-	-	-
Buy Back	-	-	-	-
Closing Balance	**12,500,000**	**125,000.00**	**12,500,000**	**125,000.00**

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of other equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

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

c) Shares held by holding company

As at March 31, 2021, 12,375,000 (Previous year 12,375,000) Equity shares of ₹10/- each were held by Holding Company Industrial Investment Trust Limited

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Industrial Investment Trust Limited	12,375,000	99%	12,375,000	99%

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.

Note 19 : Other equity (₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Reserve & Surplus		
General Reserve	1,170.00	1,170.00
Retained earnings		
Opening balance	2,697.57	30,910.47
Add: profit/(loss) for the year	2,720.77	(26,700.45)
Less: depreciation on re classification to investment property from assets held for sale	-	(1,509.10)
Items of other comprehensive income recognized directly in retained earnings:		
- Remeasurements of post-employment benefit obligation, net of tax	15.24	(3.35)
	5,433.58	2,697.57
Total	**6,603.58**	**3,867.57**

Nature and purpose of each reserves

General Reserve

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

Retained Earnings

Retained earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves, debenture redemption reserve etc., amount distributed as dividend.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 20 : Interest income

(₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a) On financial assets measured at fair value through OCI	-	-
(b) On financial assets measured at amortised cost		
Interest on loans	647.81	664.31
Interest on deposits with banks	1,143.13	1,478.07
Other interest income		
Interest income from preference share amortisation	6,626.92	9,921.98
(c) On financial assets classified at fair value through profit or loss	-	-
Total	**8,417.86**	**12,064.36**

Note 21 : Dividend income

(₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
On shares	4.07	6.64
Total	**4.07**	**6.64**

Note 22 : Rental income

(₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
On residential premises	1,500.00	1,500.00
Total	**1,500.00**	**1,500.00**

Note 23 : Other

(₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from stock market operations (net)	270.58	(100.97)
Other Income	1.17	-
Total	**271.75**	**(100.97)**

Note 24 : Net loss on fair value changes

(₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
On financial assets (refer note 34)	3,189.56	31,592.49
Total	**3,189.56**	**31,592.49**
Fair value changes:		
- Realised	-	-
- Unrealised	3,189.56	31,592.49

Note 25 : Impairment on financial instruments

(₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
On financial instruments measured at fair value through OCI	-	-
On financial instruments measured at amortised cost		
Others - Loan and interest accrued and due thereon	558.68	3,727.89
Total	**558.68**	**3,727.89**

Note 26 : Employee Benefit Expenses

(₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and bonus	1,234.13	1,562.74
Contribution to provident and other funds	78.03	96.24
Staff welfare expenses	11.71	15.52
Total	**1,323.87**	**1,674.50**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 27 : Depreciation, amortisation and impairment (₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation & amortisation		
on property, plant and equipment	5.54	6.67
on intangible assets	-	1.16
on investment properties	1,509.10	1,509.10
Total	**1,514.64**	**1,516.93**

Note 28 : Other expenses (₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rent, taxes and energy costs	53.82	50.66
Repair and maintenance	62.70	86.26
Communication costs	45.62	40.57
Director's fee, allowances and expenses	147.50	117.50
Auditor's fees and expenses	105.03	110.55
Legal and professional charges	183.66	356.79
Insurance	49.82	41.33
Other expenditure		
Membership fees	53.10	150.40
Operating expenses (DP charges, Lease line and etc.)	1.18	628.42
Fixed assets - written off	-	46.49
Loss on Sale of Fixed Assets	26.28	-
Miscellaneous expenditure	161.13	28.14
Total	**889.84**	**1,657.11**
Details of Auditor's fees and expenses		
- Auditor	88.50	75.00
- for other services	5.40	30.00
- for reimbursement of expenses	11.13	5.55
Total	**105.03**	**110.55**
Details of Repairs and Maintenance		
- for building	55.43	23.56
- for machinery	7.27	62.70
Total	**62.70**	**86.26**

Note 29 : Tax expenses (₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
i) Current tax		
Current years' tax	-	-
Earlier year	-	5.35
	-	**5.35**
ii) Deferred tax		
through Profit and Loss Statement	(3.68)	(3.79)
through Other Comprehensive Income	5.36	(1.18)
	1.68	**(4.97)**
Total (a+b)	**1.68**	**0.38**

A new Section 115BAA was inserted in the Income Tax Act, 1961, by the Government of India which provides an option to companies for paying income tax at reduced rates in accordance with the provision/conditions defined in the said section. The Company has decided to continue with the existing tax structure for the year ended March 31, 2021.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 29 : Tax expenses (Contd.)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate (₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Accounting profit	2,717.09	(26,698.89)
Tax on accounting profit at statutory income tax rate of 26%	706.44	(6,941.71)
Adjustments :		
for exempted income	(1,723.00)	(2,581.44)
for allowable under Income Tax Act	(110.75)	(129.43)
for disallowance under Income Tax Act	1,384.47	9,604.08
C/f (B/f) loss	(257.16)	48.50
Net tax expenses	**-**	**-**
Tax as per Minimum Alternate Tax	-	-
Tax expenses reported in the Statement of Profit and Loss	**-**	**-**

Tax losses (₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	4,411.11	5,400.21
Potential tax benefit @26%	1,146.89	1,404.06

Note 30 : Stock-broking operation

The Company in its board meeting held on May 22, 2019 has decided for voluntary closure of stock broking business in all segment with National Stock Exchange of India and Bombay Stock Exchange limited. Subsequently, the company has made application to stock exchanges for surrender of membership. However regulatory approval for cancellation of membership is under process.

Considering the materiality of net income from this segment to total income, the segment is shown under continuing operation.

Note 31 : Contingent liabilities

The Company had received income tax demand pertaining to Assessment Year 2012-13 amounting to ₹ 76,99,060/-. The Company has filed application of rectification and deposited sum of ₹ 20,00,000/- and the same is shown under Note 9 toward said demand. Further the Company has filed an appeal against said demand.

Note 32 : Estimation of Uncertainties Relating to the Global Health Pandemic Covid-19

The COVID-19 pandemic has resulted in a significant decrease in the economic activities across the country, on account of lockdown that started on 24th March, 2020. The Company has considered internal and certain external sources of information including economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Company expects to recover the carrying amount of investments, financial assets and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

Note 33 : Earnings per share (₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a) Basic earnings per share		
Profit attributable to the equity holders of the Company (₹ in '000)	2,720.77	(26,700.45)
Total basic earnings per share attributable to the equity holders of the Company (₹)	0.22	(2.14)
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	12,500,000	12,500,000

Note 34 :

As at March 31, 2021, the Company has investment in preference shares of World Resorts Limited (WRL). WRL has incurred loss in the current year and the net worth of the WRL is negative as on March 31, 2021.

Considering the above, the Company has provided loss of ₹31.90 lakhs (Previous Year Loss of ₹315.92 lakhs) toward preference share investment on account of change in fair value as at March 31, 2021.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 35 : Related Party Transactions

35(a) Details of related parties

Description of relationship	Names of related party
Holding Company :	Industrial Investment Trust Limited
Entities in which director can y over which the group has significant control :	IITL Nimbus The Palm Village World Resorts Limited
Key Management personnel	G. Jeevanantham, Executive Director & CFO (w.e.f 23.02.2019)
	Prakash Borhade, Executive Director & CFO (from 01.10.2018 to 15.02.2019)
	Mehul Chauhan, Executive Director (w.e.f 23.02.2019)
	Aashish Sharma, Company Secretary (w.e.f. 24.04.2019)

35(b) Transactions with related parties (₹ in '000)

Name of related party	Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
Industrial Investment Trust Limited	Rent Received	1,500.00	1,500.00
IITL Nimbus The Palm Village	Interest income on loan	647.81	664.31
World Resorts Limited	Preference share amortization income	6,626.92	9,921.98
World Resorts Limited	Net loss on fair value changes	3,189.56	31,592.49
IITL Nimbus The Palm Village	Expected credit loss on loan and interest	558.68	3,727.89
G. Jeevanantham	Remuneration	717.95	973.62
Prakash Borhade	Remuneration	-	9.08
Mehul Chauhan	Remuneration	291.31	317.81
Aashish Sharma	Remuneration	162.57	208.12

35(c) Outstanding balances at the end of the year (₹ in '000)

	Nature of Transaction	As at March 31, 2021	As at March 31, 2020
I)	Loan given		
	IITL Nimbus The Palm Village	5,000.00	5,000.00
ii)	Accrued Interest on loan given		
	IITL Nimbus The Palm Village	1,846.29	1,287.61
iii)	Expected credit loss on loans		
	IITL Nimbus The Palm Village	5,000.00	5,000.00
iv)	Expected credit loss on interest on loans		
	IITL Nimbus The Palm Village	1,846.29	1,287.61
v)	Investment in Preference share		
	World Resorts Limited (Refer note 34)	47,913.35	44,475.99

35(d) Terms and conditions :

The transactions with related parties were at normal commercial terms .

Note 36 : Fair value measurements

36(a) : Financial instruments by category (₹ in '000)

Particulars		As at March 31, 2021	As at March 31, 2020
Financial assets			
Cash and bank balance	Amortised cost	458.97	310.80
Fixed deposit at bank	Amortised cost	19,539.00	19,502.44
Trade and other receivables	Amortised cost	30.88	25.07
Interest accrued and due on loans	Amortised cost	-	-
Interest accrued but not due on bank deposit	Amortised cost	221.05	307.49
Loans	Amortised cost	-	-
Investment in equity shares (quoted)	FVTPL	704.63	434.04
Investment in preference shares (unquoted)	FVTPL	47,913.35	44,475.99
Security deposits	Amortised cost	15,718.60	15,718.60
Other financial assets	Amortised cost	-	-
Total financial assets		**84,586.48**	**80,774.43**
Financial liabilities			
Trade Payables	Amortised cost	146.57	306.23
Total financial liabilities		**146.57**	**306.23**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 36 : Fair value measurements (Contd.)

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

36(b) : Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. Fair values were measured by using level 3 inputs.

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

There were no transfers between any levels during the year

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures which are included in level 3. (₹ in '000)

Particulars	Quoted Price in Market (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Input (Level 3)
Financial Assets Measured at fair Value			
Listed Equity Investments	434.04	-	-
Security deposits	-	-	15,718.60
Preference Shares	-	-	44,475.99
Total Financial Assets As at March 31, 2020	**434.04**	**-**	**60,194.59**
Financial Assets Measured at fair Value			
Listed Equity Investments	704.63	-	-
Security deposits	-	-	15,718.60
Preference Shares	-	-	47,913.35
Total Financial Assets As at March 31, 2021	**704.63**	**-**	**63,631.95**

Note 37 : Financial risk management

The Company's business activities expose it to a variety of financial risks, namely credit risk and liquidity risk.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

The Company has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e., insurance broking provided by the Company. The Company ensures concentration of credit does not significantly impair the financial assets. The Company, based on the credit information available with its, has provided expected credit loss. Rest of the exposure is to the Customers which are well established and from reputed industries.

Expected credit loss for loans under simplified approach

Particulars	(₹ in '000)
As at March 31, 2021	6,846.29
As at March 31, 2020	6,287.61

b) Management of liquidity risk:

Liquidity risk is the risk that the Company will fail in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 37 : Financial risk management (Contd.)

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

(₹ in '000)

Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
As at March 31, 2021					
Trade Payables	146.57	146.57	-	-	146.57
Total	**146.57**	**146.57**	**-**	**-**	**146.57**
As at March 31, 2020					
Trade Payables	306.23	306.23	-	-	306.23
Total	**306.23**	**306.23**	**-**	**-**	**306.23**

c) Management of Market risks

Market risks comprises of:

- price risk; and

- interest rate risk

The company does not designate any fixed rate financial assets as fair value through profit and loss nor at fair value through OCI. Therefore company is not exposed to any interest rate risks. Similarly company does not have any financial instrument which is exposed to change in price.

d) Capital Management

Equity share capital, other equity and secured borrowings from the banks are considered for the purpose of Company's capital management. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may borrow from external parties such as banks or financial institutions. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain shareholder, creditor and stakeholder confidence to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note 38 : Employee Benefit

Defined contribution plans

The company makes Provident Fund Contributions to defined contribution plans for qualifying employees. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company recognised ₹ 70,004 (Previous Year ₹ 88,056) for Provident Fund contributions in the Statement of Profit and Loss.

Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company's gratuity liability is funded.

The company has carried out the actuarial valuation of Gratuity liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

38(a) : Amount recognized in the Statement of Profit and Loss under employee benefit expenses (Gratuity) (₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current service cost	38,325	35,929
Past service cost and loss/(gain) on curtailments and settlement	-	-
Net Interest cost	(2,325)	(3,981)
Total included in Employee Benefit Expenses	**36,000**	**31,948**

38(b) : Amount recognized in the Statement of Other Comprehensive Income (Gratuity) (₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	4,373	5,354
Due to changes in demographic assumption	-	-
Due to experience adjustment	(11,920)	(1,247)
Return on plan assets excluding amounts included in interest income	(13,053)	427
Total included in Employee Benefit Expenses	**(20,600)**	**4,534**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 38 : Employee Benefit (Contd.)

38(c) : The following tables set out the funded status of the gratuity plans and the amounts recognized in the financial statements (Gratuity) (₹)

Particulars	As at March 31, 2021	As at March 31, 2020
i) Change in benefit obligations		
Opening Defined Benefit Obligation	244,852	192,228
Transfer in/(out) obligation	-	-
Current service cost	38,325	35,929
Interest cost	6,557	12,588
Actuarial loss/(gain) due to change in financial assumptions	4,373	5,354
Actuarial loss/(gain) due to change in demographic assumption	-	-
Actuarial loss/(gain) due to experience adjustments	(11,920)	(1,247)
Benefits paid	-	-
Closing defined benefit obligation	**282,187**	**244,852**
ii) Change in plan assets		
Opening value of plan assets	270,677	237,201
Transfer in/(out) plan assets	-	-
Interest Income	8,882	16,569
Return on plan assets excluding amounts included in interest income	13,053	(427)
Contributions by employer	21,861	17,334
Benefit Paid	-	-
Closing Value of plan assets	**314,473**	**270,677**
iii) Funded Status of the Plan		
Present value of unfunded obligations	-	-
Present value of funded obligations	282,187	244,852
Fair value of plan assets	314,473	270,677
Net Liability (Assets)	**(32,286)**	**(25,825)**

38(d) : Principle actuarial assumptions used to determine benefit obligations are set out below:

(i) Gratuity

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rate	3.80%	5.20%
Salary Growth Rate		
At younger ages	0.00%	7.00%
Increasing to % thereafter	7.00%	7.00%
Withdrawal Rates		
At younger ages	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%
Rate of return on plan assets	3.60%	5.20%

(ii) Privilege Leave Benefit

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rate	3.80%	5.20%
Salary Growth Rate		
At younger ages	0.00%	7.00%
Increasing to % thereafter	7.00%	7.00%
Withdrawal Rates		
At younger ages	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%
Leave Availment Rate	5.00%	5.00%
Leave Encashment Rate	0.00%	0.00%

(iii) Sick Leave Benefit

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rate	3.80%	5.20%
Salary Growth Rate		
At younger ages	0.00%	7.00%
Increasing to % thereafter	7.00%	7.00%
Withdrawal Rates		
At younger ages	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%
Leave Availment Rate	10.00%	10.00%
Leave Encashment Rate	0.00%	0.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 38 : Employee Benefit (Contd.)

38(e) : Expected cash flows based on past service liability dated as at March 31, 2021:

(i) Gratuity

Particulars	As at March 31, 2021		As at March 31, 2020	
	Cash flows (₹)	Distribution (%)	Cash flows (₹)	Distribution (%)
Year 1	246,175	81.40%	237,525	89.00%
Year 2	72	0.00%	35	0.00%
Year 3	81	0.00%	39	0.00%
Year 4	1,542	0.50%	44	0.00%
Year 5	1,556	0.50%	808	0.30%
Year 6 to Year 10	7,282	2.40%	3,971	1.50%

The Future accrual is not considered in arriving at the above cash-flows.

(ii) Provilege Leave Benefit

Particulars	As at March 31, 2021		As at March 31, 2020	
	Cash flows (₹)	Distribution (%)	Cash flows (₹)	Distribution (%)
Year 1	39,222	45.50%	38,054	62.50%
Year 2	3,170	3.70%	1,587	2.60%
Year 3	3,031	3.50%	1,433	2.40%
Year 4	2,899	3.40%	1,371	2.30%
Year 5	2,773	3.20%	1,311	2.20%
Year 6 to Year 10	11,867	13.80%	5,678	9.30%

The Future accrual is not considered in arriving at the above cash-flows.

38(f) : Reconciliation of net defined benefit liability (Gratuity): (₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Net opening provision/(assets) in books of accounts	**(25,825)**	**(44,973)**
Employee Benefit Expense as per Annexure 2	36,000	31,948
Amounts recognized in Other Comprehensive Income	(20,600)	4,534
	(10,425)	(8,491)
Contributions to plan assets	(21,861)	(17,334)
Closing provision in books of accounts	**(32,286)**	**(25,825)**

38(g) : Composition of the plan assets (Gratuity):

Particulars	As at March 31, 2021	As at March 31, 2020
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance	98%	97%
Bank Balance	2%	3%
Other Investments	0%	0%
Total	**100%**	**100%**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 38 : Employee Benefit (Contd.)

38(h) : Sensitivity to key assumptions

(i) Gratuity

Particular	As at March 31, 2021		As at March 31, 2020	
	DBO (₹)	Changes in DBO %	DBO (₹)	Changes in DBO %
Discount rate varied by 0.5%				
Increase by 0.5%	280,137	-0.73%	242,929	-0.79%
Decrease by 0.5%	284,454	0.80%	246,867	0.82%
Salary growth rate varied by 0.5%				
Increase by 0.5%	284,130	0.69%	246,663	0.74%
Decrease by 0.5%	280,181	-0.71%	242,952	-0.78%
Withdrawal rate (WR) varied by 20%				
WR* 120%	280,156	-0.72%	244,025	-0.34%
WR* 80%	284,577	0.85%	245,779	0.38%

(ii) Privilege Leave Benefit

Particular	As at March 31, 2021		As at March 31, 2020	
	DBO (₹)	Changes in DBO %	DBO (₹)	Changes in DBO %
Discount rate varied by 0.5%				
Increase by 0.5%	68,962	-1.90%	50,290	-1.40%
Decrease by 0.5%	71,797	2.10%	51,750	1.50%
Salary growth rate varied by 0.5%				
Increase by 0.5%	71,751	2.00%	51,733	1.40%
Decrease by 0.5%	68,989	-1.90%	50,299	-1.40%
Withdrawal rate (WR) varied by 20%				
WR* 120%	68,946	-1.97%	50,494	-0.99%
WR* 80%	71,991	2.36%	51,604	1.18%

(iii) Sick Leave Benefit

Particular	As at March 31, 2021		As at March 31, 2020	
	DBO (₹)	Changes in DBO %	DBO (₹)	Changes in DBO %
Discount rate varied by 0.5%				
Increase by 0.5%	13,544	-2.19%	6,535	-4.85%
Decrease by 0.5%	14,167	2.31%	6,778	-1.31%
Salary growth rate varied by 0.5%				
Increase by 0.5%	14,158	2.25%	6,776	-1.34%
Decrease by 0.5%	13,550	-2.14%	6,535	-4.85%
Withdrawal rate (WR) varied by 20%				
WR* 120%	13,041	-5.82%	6,509	-5.23%
WR* 80%	14,780	6.74%	7,284	6.06%

A description of methods used for sensitivity analysis and its Limitations:

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters.

Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

The Company best estimate of the Contribution expected to be paid to the plan during next year is ₹ 32,286/- (Previous year ₹ 25,825/-)

Note 39 : Lease

Effective 1st April 2019, Ind AS 116 ‘Leases’ became applicable wherein all leases on balance sheet date are required to be recognized by a lessee as ‘Right of Use’ (ROU) assets and corresponding amount as ‘Lease liability’, and provide Depreciation for the ROU assets and Finance cost for interest on accrued liability. However, the Company does not have any long term lease for own use or a lease to which erstwhile Ind AS 17 on ‘Leases’ used to apply and hence, the Company does not have impact of Ind AS 116.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 40 : Segment information

i) Disclosure as required by Ind AS 108 "Operating Segment", of the Companies (Indian Accounting Standards) Rules, 2015.

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance in accordance with Ind AS "Operating Segment", the Company has identified three reportable segments namely i) Investment and trading activities, ii) Brokerage services and iii) Rental services.

Investment activities consists of investment and trading in financial instrument.

Brokerage services consists of brokerage business.

Rental services consists of rental income from immovable residential property.

ii) Information about major customers

Total revenues includes ₹ 8,774,730/- (Previous year ₹12,086,290/-) from the group companies (i.e. more than 10% of total revenue). No other single customer contribute 10% or more of the Companies revenue for both financial year ended March 31, 2021 and March 31, 2020.

iii) Segment reporting (₹ in '000)

Particulars	Year ended March 31, 2021				Year ended March 31, 2020			
	Investment and trading activities	Investment Brokerage services	Rental Services	Total	Investment and trading activities	Investment Brokerage services	Rental Services	Total
A. REVENUE								
1. Revenue from operation	8,421.93	271.75	1,500.00	10,193.68	12,071.00	(100.97)	1,500.00	13,470.03
2. Other income	-	-	-	-	-	-	-	-
from continuing operations	8,421.93	271.75	1,500.00	10,193.68	12,071.00	(100.97)	1,500.00	13,470.03
from discontinued operation				-				-
Total				**10,193.68**				**13,470.03**
B. RESULTS								
1. Segment result								
from continuing operations	2,544.25	245.47	(9.10)	2,780.62	(26,049.36)	(573.00)	(9.10)	(26,631.46)
from discontinued operation				-				-
2. Unallocable income net of unallocable expenses				(63.53)				(67.43)
3. Profit before tax				2,717.09				(26,698.89)
4. Provision for tax				(3.68)				1.56
5. Profit/(loss) after tax				2,720.77				(26,700.45)
6. Other comprehensive income				15.24				(3.35)
7. Total comprehensive income				**2,736.01**				**(26,703.80)**
C. OTHER INFORMATION								
1. Segment assets	84,481.43	1,740.27	-	86,221.70	80,823.45	1,465.65	-	82,289.10
2. Unallocated segment assets				2,634.61				2,349.26
3. from discontinued operation				43,128.56				44,637.67
Total assets				**131,984.87**				**129,276.03**
1. Segment liabilities	371.98	-	-	371.98	396.07	1.17	-	397.24
2. Unallocated segment liabilities				9.30				11.23
Total liabilities	**371.98**	**-**	**-**	**381.28**	**396.07**	**1.17**	**-**	**408.47**

Note 41 :

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

Note 42 :

The Financial Statement is approved by the Board of Directors of the Company in the meeting held on June 23, 2021.

In terms of our report attached.

For J P J ASSOCIATES LLP
Chartered Accountants
Firm Registration : 113012W/W100296

Pravin Deshpande
Partner
Membership No : 045249

Mumbai : June 23, 2021

For and on behalf of the Board of Directors

G Jeevanantham
Executive Director & CFO
DIN : 03375366

Mehul Chauhan
Executive Director
DIN : 08372114

Aashish Sharma
Company Secretary

Mumbai : June 23, 2021

IIT INSURANCE BROKING AND RISK MANAGEMENT PRIVATE LIMITED

CIN: U67190MH2008PTC187076

BOARD OF DIRECTORS	:	Mr. Bipin Agarwal - *Chairman* Mr. Venkatesan Narayanan
BANKERS	:	Axis Bank Limited
AUDITORS	:	M/s Desai & Kinare Chartered Accountants (Firm Registration No. 119575W)\
REGISTERED OFFICE	:	Office No.101A, ‘The Capital’, G Block, Plot No.C-70, Bandra Kurla Complex, Bandra East, Mumbai - 400051 Tel: 022- 43250100 Email address: infomumbai@iitinsurance.com Website: www.iitinsurance.com

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the Thirteenth Annual Report of the Company, together with the Audited Statement of Accounts for the year ended March 31, 2021.

Financial Performance

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

Particulars	Financial Year ended	
	31/03/2021	31/03/2020
Total Income	11.27	32.08
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	1.42	(6.45)
Finance Charges	0.01	0.01
Depreciation	0.10	0.33
Provision for Income Tax (including for earlier years)	--	0.59
Deferred Tax	0.74	(0.84)
Net Profit/(Loss) After Tax	2.05	(8.22)
Other comprehensive income, net of tax	--	(0.10)
Total comprehensive income for the year	--	(8.12)
Profit/(Loss) brought forward from previous year	(167.06)	(158.94)
Profit/(Loss) carried to Balance Sheet	(165.01)	(167.06)

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

Indian Accounting Standards

The Company has adopted Indian Accounting Standards (IND AS) from the FY 2018-19 and has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Results of operations and state of Company's affairs

During the year 2019-20, the Company had made an application to IRDAI for voluntary surrender of the Broking License (Life and Non-Life).

Vide letter dated June 17, 2021, IRDAI has granted its approval for voluntary surrender of Certificate of Registration and advised the Company to submit the copy of certificate issued by the Registrar of Companies (ROC) after making the required changes for deletion of main object of MOA and change in name of the company or to deregister with the ROC.

The total number of operational offices at the year end was one and had no employee on its pay roll.

The Company's revenue of operations for the financial year ended March 31, 2021 was ₹ 9.49 lakhs comprising Interest on Bank Deposits of ₹ 8,62,810/- and Brokerage Income of ₹ 86,286/- as compared to the revenue of ₹ 31.60 lakhs during the previous year. This has resulted in pre-tax profit of ₹ 1.30 lakhs for the year ended March 31, 2021 as against the pre-tax loss of ₹ 6.78 lakhs for the preceding year.

Impact of COVID-19

Since the Company does not have any business activity, hence there is no impact of COVID-19.

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 accumulated losses of the Company, your Directors do not recommend any dividend for the year under review.

Change in Capital Structure

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

As on March 31, 2021, 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, 2021, 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) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on http://iitinsurance.com/Upload/Annual-Return-2020-2021.pdf.

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, 2021, the Board met 5 (Five) times on June 25, 2020, September 10, 2020, November 11, 2020, December 04, 2020 and February 11, 2021. 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 June 25, 2020, September 10, 2020, November 11, 2020 and February 11, 2021. The attendance of the members at the Audit Committee meetings is as follows:

Name of the Member	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:

(a) In preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

(b) Such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2021 and profit of the Company for the year ended on that date;

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

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

(e) The 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 1** to this Report.

Auditors and Auditors' Report

M/s Desai & Kinare, Chartered Accountants (ICAI Firm Registration No: 119575W) were re-appointed as Statutory Auditors of your Company at the Annual General Meeting held on September 21, 2019, for the second term of five consecutive years.

M/s. Desai & Kinare, Chartered Accountants, have carried out Statutory Audit and the observations and comments given in the report of the Auditors read together with 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 (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 2** to the Directors' Report.

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.

General

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

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

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 2020-2021.

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)

Delhi
Date: August 12, 2021

Annexure 1

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 endeavour 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 : Average Net Loss of ₹ 44,61,630/-
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 Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative spend upto to the reporting period	Amount spent: Direct/ through implementing agency
-	-	-	-	-	-	-	-

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

   The Company has incurred average net loss of ₹ 44,61,630/- during the last 3 financial years.

7. In view of the above mentioned, the Company has not made any contribution towards the CSR activities.

Venkatesan Narayanan
Director
(DIN: 00765294)

Bipin Agarwal
Chairman of CSR Committee
(DIN: 00001276)

Delhi
Date: August 12, 2021

Annexure 2

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, 2021 ------- 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, 2021 are as follows :
   ------- Nil

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

Bipin Agarwal
Chairman
(DIN: 00001276)

Date: August 12, 2021
Place: Delhi

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, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to "the financial statements").

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:
   (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021;
   (b) in the case of the Profit and Loss Account, of the loss for the year ended on that date;
   (c) in the case of the statement of changes in equity for the year ended on that date; and
   (d) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
4. Emphasis of Matter

   We would like to draw your attention to the following notes which states as under:
   (a) The financial statements have been prepared on a going concern basis, although the Company is incurring continuous losses, the Reserves & Surplus has turned negative as at 31st March 2021. The management estimates cash inflow in future, other funding option and has adequate long term assets. However conditions indicate the existence of uncertainty that may cast doubt on the Company's ability to continue as a going concern.
   (b) As stated in note 25 to the financial statements, the Company in its Board meeting on November 12, 2019, has decided closure of its insurance broking business in all segments and further decided to surrender the "Direct Broker" license. Subsequently, the Company has made an application to the Insurance Regulatory & Development Authority of India (IRDAI for the surrender of "Direct Broker" License during the year ended 31st March 2021. However, regulatory approval for the cancellation of license is pending.

   Our opinion is not modified in respect of these matters

Other matter

Due to lockdown imposed by the Government (including travel restrictions), to restrict the spread of COVID-19, the audit process for the year under report, was carried out from remote locations i.e. other than offices of the Company, based on data/ details made available and based on financial information/ records remitted by the management through digital medium.

Our opinion is not modified in respect of this matter.

5. 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:

(i) 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;

(ii) 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;

(iii) 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;

(iv) 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;

(v) on the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of section 164(2) of the Act.

(vi) 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.

(vii) 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 (vi) 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 Auditors'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:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements

(ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Desai & Kinare
Chartered Accountants
Firm Registration No. 119575W

CA. Shashikant Desai
Partner
M.No 034105
UDIN : 21034105AAAACZ4301

Place: Mumbai
Date : June 23, 2021

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 31st March 2021, 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, Goods and Service Tax, cess and other material statutory dues were in arrears as at 31 March 2018 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, have not been deposited by the Company on account of disputes (Pending appeal)

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	₹ 1,62,01,310/-

(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 however the Company has not paid interest amount of Rs. 1,47,30,070/- on borrowed term loan from Industrial Investment Trust Ltd, its holding Company which was repaid principal amount fully in the previous year.

(ix) The Company has been making provision for impairment for credit Rs.64,40,300/- for more than 3 years. The company shall write off the same in the books of accounts.

(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 give 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 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 Desai & Kinare
Chartered Accountants
Firm Registration No. 119575W

CA. Shashikant Desai
Partner
M.No 034105
UDIN : 21034105AAAACZ4301

Place: Mumbai
Date : June 23, 2021

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 2021 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 2021, 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
Firm Registration No. 119575W

CA. Shashikant Desai
Partner
M.No 034105
UDIN : 21034105AAAACZ4301

Place: Mumbai
Date : June 23, 2021

BALANCE SHEET AS AT MARCH 31, 2021

(₹)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,440	436,205
Intangible assets	4	2,231	64,189
Financial assets			
i) Other financial assets	5(d)	2,366,604	2,239,999
Non Current Tax Assets	6	10,475,237	11,825,786
Deferred tax assets (net)	7	2,067,438	1,993,073
Other non-current assets	8	32,475	25,290
Total non-current assets		**14,948,425**	**16,584,542**
Current assets			
Financial assets			
i) Trade receivables	5(a)	908,220	908,476
ii) Cash and cash equivalents	5(b)	788,264	298,947
iii) Bank balance other than (ii) above	5(c)	12,200,000	10,800,000
iv) Other financial assets	5(d)	86,819	-
Current tax assets (net)	6	8,821	-
Other current assets	8	73,298	143,232
Total current assets		14,065,422	12,150,655
Total assets		**29,013,847**	**28,735,197**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9(a)	25,000,000	25,000,000
Other equity	9(b)	(10,946,622)	(11,151,476)
Total equity		**14,053,378**	**13,848,524**
LIABILITIES			
Non-current liabilities			
Provisions	12	-	7,817
Total non-current liabilities		**-**	**7,817**
Current liabilities			
Financial liabilities			
i) Trade Payables	10(a)		
Dues of micro enterprises and small enterprises		-	-
Dues other than micro enterprises and small enterprises		210,852	115,146
ii) Other financial liabilities	10(b)	14,730,070	14,730,070
Other current liabilities	11	17,992	32,540
Provisions	12	1,555	1,100
Total current liabilities		**14,960,469**	**14,878,856**
Total liabilities		**14,960,469**	**14,886,673**
Total equity and liabilities		**29,013,847**	**28,735,197**

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

In terms of our report attached.

For Desai & Kinare
Chartered Accountants
Firm Registration No.: 119575W

For and on behalf of the Board of Directors

Shashikant Desai
Partner
Membership No. : 34105

Mumbai: June 23, 2021

Bipin Agarwal
Director
DIN 00001276

Mumbai: June 23, 2021

Venkatesan Narayanan
Director
DIN 00765294

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

(₹)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Revenue			
Revenue from operations	13	949,096	3,159,718
Other income	14	178,146	48,279
Total revenue		**1,127,242**	**3,207,997**
Expenses			
Employee benefit expense	15	66,788	2,824,305
Finance costs	16	1,138	642
Depreciation and amortization expense	17	10,477	32,791
Other expenses	18	918,351	1,028,538
Total expenses		**996,754**	**3,886,276**
Profit/(Loss) before tax		**130,488**	**(678,279)**
Income tax expense	19		
Current tax		-	59,328
Deferred tax		(74,365)	83,950
Total tax expense		**(74,365)**	**143,278**
Net Profit/(Loss) before discontinued operations		**204,853**	**(821,557)**
Profit/(loss) from discontinued operations		-	-
Tax expenses of discontinued operations		-	-
Net Profit/(Loss) from discontinued operations		-	-
Profit/(Loss) after tax		**204,853**	**(821,557)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability/asset		-	(13,133)
Tax on remeasurement of defined benefit		-	3,415
Other comprehensive income, net of tax		**-**	**(9,718)**
Total comprehensive income for the year		**204,853**	**(811,839)**
Earnings per equity share (EPS) of ₹ 10 each			
Basic and Diluted		0.08	(0.33)

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

In terms of our report attached.
For Desai & Kinare
Chartered Accountants
Firm Registration No.: 119575W

For and on behalf of the Board of Directors

Shashikant Desai
Partner
Membership No. : 34105

Mumbai: June 23, 2021

Bipin Agarwal
Director
DIN 00001276

Mumbai: June 23, 2021

Venkatesan Narayanan
Director
DIN 00765294

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(A) Share capital (₹)

Particulars	Equity Share Capital
As at April 1, 2019	25,000,000
Changes in equity share capital	-
As at March 31, 2020	25,000,000
Changes in equity share capital	-
As at March 31, 2021	25,000,000

(B) Other equity

1. Reserve and Surplus (₹)

Particulars	General Reserve	Retained earnings	Total
As at April 1, 2019	5,554,919	(15,894,556)	**(10,339,637)**
Changes in equity during the year			-
Loss for the year		(821,557)	**(821,557)**
Remeasurement of the net defined benefit liability/assets (net of tax)	-	9,718	**9,718**
As at March 31, 2020	**5,554,919**	**(16,706,395)**	**(11,151,476)**
As at April 1, 2020	5,554,919	(16,706,395)	**(11,151,476)**
Changes in equity during the year			
Loss for the year	-	204,853	**204,853**
Remeasurement of the net defined benefit liability/assets (net of tax)	-	-	-
As at March 31, 2021	**5,554,919**	**(16,501,542)**	**(10,946,623)**

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

In terms of our report attached.

For Desai & Kinare
Chartered Accountants
Firm Registration No.: 119575W

Shashikant Desai
Partner
Membership No. : 34105

Mumbai: June 23, 2021

For and on behalf of the Board of Directors

Bipin Agarwal
Director
DIN 00001276

Venkatesan Narayanan
Director
DIN 00765294

Mumbai: June 23, 2021

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

(₹)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A.	**Cash Flow From Operating Activities**		
	Brokerage Income	86,542	1,851,197
	Rental Income	-	-
	Other income	-	-
	Employee benefit expense	(81,335)	(2,938,892)
	Operating expenses	(768,397)	(1,041,811)
	Increase/change in bank fixed deposit	(1,400,000)	700,000
	Direct Tax paid/(refund)	1,519,874	436,297
	Net Cash inflow/(outflow) from operating activities	**(643,316)**	**(993,209)**
B.	**Cash flow from Investing activities**		
	Proceeds from sale of property, plant & equipments	483,246	1,500
	Interest received	649,386	778,748
	Net Cash inflow/(outflow) from investment activities	**1,132,632**	**780,248**
C.	**Cash flow from financing activities**		
	Interest paid on loans	-	-
	Loan taken(repaid)		
	from bank	-	-
	from holding company	-	-
	Net Cash inflow/(outflow) from financing activities	**-**	**-**
	Net increase/(decrease) in cash and cash equivalents	**489,316**	**(212,961)**
	Cash and cash equivalents at the beginning of the year	298,947	511,908
	Cash and cash equivalents at the end of the year	**788,263**	**298,947**

The above statement of cash flow should be read in conjunction with the accompanying notes.

Note:

1. 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.
2. The Cash Flow Statement has been prepared under the “Direct Method”.
3. Previous year figures have been regrouped wherever necessary.

In terms of our report attached.

For Desai & Kinare
Chartered Accountants
Firm Registration No.: 119575W

Shashikant Desai
Partner
Membership No. : 34105

Mumbai: June 23, 2021

For and on behalf of the Board of Directors

Bipin Agarwal
Director
DIN 00001276

Venkatesan Narayanan
Director
DIN 00765294

Mumbai: June 23, 2021

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Corporate Information

IIT Insurance Broking and Risk Management Private Limited is a private limited company incorporated under the provision of the Companies Act, 1956 with its registered head office situated at Mumbai. The Company is a part of the 'Industrial Investment Trust Group'. The Company holds license from the 'Insurance Regulatory and Development Authority of India' (IRDAI) (License No. 398) to operate as Direct Insurance Broker. During the year ended March 31, 2021, the Company has applied for surrender of said license and approval from the Authority is in process.

2 Significant Accounting Policies

a) Basis of preparation

These financial statements are Separate Financial Statements as per Ind AS 27 - Separate Financial Statements and are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended till date.

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

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

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

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

New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2019:

a) Ind AS 116, Leases

b) Uncertainity over income tax treatment – Appendix C to Ind AS 12, Income Taxes

c) Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, Employee Benefits

d) Amendment to Ind AS 12, Income Taxes

e) Amendment to Ind AS 23, Borrowing costs

The Company had to change its accounting policy as a result of adopting Ind AS 116. This is disclosed in note --.The other amendments listed above did not have material impact on the amounts recognised in prior periods and are not expected to significantly affects the current or future periods.

b) Use of Judgements, Estimates and Assumption

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

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

c) Property, Plant and Equipment

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

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

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

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

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

d) Trade receivable

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

e) Cash & Cash Equivalents

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

f) Non-Current Assets held for Sale

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

g) Investment Property

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

h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

ii) those measured at amortised cost.”

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

ii) Measurement

Initial recognition :

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement :

After initial recognition, financial assets are measured at:

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

ii) amortized cost”

Debt instruments :

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income (‘FVOCI’) or fair value through profit or loss (‘FVTPL’) till de-recognition on the basis of (i) the entity’s business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

The company classifies its debt instruments into three measurement categories:

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

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Financial Assets (contd.)

Debt instruments : (contd.)

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

Equity instruments:

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

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

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

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

iii) Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Income Recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

v) De-recognition

A financial asset is derecognised only when:

i) the rights to receive cash flows from the asset have expired, or

ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient. or

iii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.”

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

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

Financial liabilities

i) Measurement

Initial recognition :

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

Subsequent Measurement :

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

ii) De-recognition

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

i) Provisions, contingent liabilities and contingent assets

Provisions

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

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

Contingent liabilities

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

Contingent assets

Contingent asset is disclosed when there would be a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

j) Employee Benefit Expense

i) Short-term employee benefits

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

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

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

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

ii) Long-term employee benefits

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

k) Leases

Where the Company is the lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Where the Company is the lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

l) Trade and other payables

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

m) Earnings per share

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

n) Taxes

Current taxes

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

Deferred taxation

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

MAT Credit

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

o) Other revenue recognition

i) Commission and brokerage is accounted as income on the date of issue of the prime documents by the Insurance Company, except where there are material installments, in which case the brokerage is accounted on the due date of the installment.

ii) Adjustments to brokerage arising from premium additions, reductions and renewal directly deposited by the client are taken into account as and when they are know.

iii) Rental income is accrued on the basis of the agreement.

iv) Dividend income is accounted for when the same is approved in AGM by shareholders.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 3 : Property, plant and equipment (₹)

Particulars	Furniture and fixtures	Computers	Office Equipment	Total
Gross carrying amount				
As at April 1, 2020	1,293,564	5,425,190	1,373,878	8,092,632
Additions	-	-	-	-
Deductions and adjustments	1,260,547	5,201,168	1,373,878	7,835,593
Impairment	-	-	-	-
As at March 31, 2021	**33,017**	**224,022**	**-**	**257,039**
Accumulated depreciation and impairment				
As at April 1, 2020	1,159,425	5,168,052	1,328,950	7,656,427
Depreciation charged during the year	229	6,598	(178)	6,649
Impairment loss	-	-	-	-
Disposals	1,127,228	4,954,477	1,328,772	7,410,477
As at March 31, 2021	**32,426**	**220,173**	**-**	**252,599**
Net carrying amount as at March 31, 2021	**591**	**3,849**	**-**	**4,440**
Gross carrying amount				
As at April 1, 2019	1,293,564	5,471,690	1,373,878	8,139,132
Additions	-	-	-	-
Deductions and adjustments	-	46,500	-	46,500
Impairment	-	-	-	-
As at March 31, 2020	**1,293,564**	**5,425,190**	**1,373,878**	**8,092,632**
Accumulated depreciation and impairment				
As at April 1, 2019	1,132,493	5,214,197	1,324,508	7,671,198
Depreciation charged during the year	26,932	204	4,442	31,578
Impairment loss	-	-	-	-
Disposals	-	46,349	-	46,349
As at March 31, 2020	**1,159,425**	**5,168,052**	**1,328,950**	**7,656,427**
Net carrying amount as at March 31, 2020	**134,139**	**257,138**	**44,928**	**436,205**

Note 4 : Intangible assets (₹)

Particulars	Computer Software	Total
Gross carrying amount		
As at April 1, 2020	1,664,999	1,664,999
Additions	-	-
Deductions and adjustments	1,445,516	1,445,516
Impairment		
As at March 31, 2021	**219,483**	**219,483**
Accumulated depreciation and impairment		
As at April 1, 2020	1,600,810	1,600,810
Depreciation charged during the year	3,828	3,828
Impairment loss		-
Disposals	1,387,386	1,387,386
As at March 31, 2021	**217,252**	**217,252**
Net carrying amount as at March 31, 2021	**2,231**	**2,231**
Gross carrying amount		
As at April 1, 2019	1,664,999	1,664,999
Additions	-	-
Deductions and adjustments	-	-
Impairment		
As at March 31, 2020	**1,664,999**	**1,664,999**
Accumulated depreciation and impairment		
As at April 1, 2019	1,599,597	1,599,597
Depreciation charged during the year	1,213	1,213
Impairment loss		-
Disposals	-	-
As at March 31, 2020	**1,600,810**	**1,600,810**
Net carrying amount as at March 31, 2020	**64,189**	**64,189**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 5(a) : Trade Receivable (₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current	Non-Current	Current
Considered good - secured	-	-	-	-
Considered good - unsecured	-	908,220	-	908,476
Significant increase in Credit Risk	-	-	-	-
Credit impaired	6,540,307	-	6,540,307	-
Less: provision for credit impaired	(6,540,307)	-	(6,540,307)	-
Total	**-**	**908,220**	**-**	**908,476**

Note 5(b) : Cash and cash equivalents (₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current	Non-Current	Current
Cash on hand	-	20,398	-	1,933
Balances with banks:				
- In current accounts	-	767,866	-	297,014
Total	**-**	**788,264**	**-**	**298,947**

Note 5(c) : Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Assets		
Deposits with original maturity of more than 3 months but less than 12 months	12,200,000	10,800,000
Total	**12,200,000**	**10,800,000**

Note 5(d) : Other Financial Assets (₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current	Non-Current	Current
Fixed Deposit at Banks*	2,000,000	-	2,000,000	-
Interest accrued	355,995	86,819	229,390	-
Security deposits (Unsecured, considered good)	10,609	-	10,609	-
Total	**2,366,604**	**86,819**	**2,239,999**	**-**

*Fixed deposit of ₹2,000,000/- is under lien in favor of Insurance Regulatory and Development Authority of India.

Note 6 : Tax Assets (₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current	Non-Current	Current
Advance payment of income tax (net)	10,475,237	8,821	11,825,786	-
Total	**10,475,237**	**8,821**	**11,825,786**	**-**

Note 7 : Deferred Tax (₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Assets		
43B disallowances	404	2,318
Provision for bad and doubtful debts	1,700,480	1,700,480
Depreciation and amortization due to timing difference	374,998	297,629
Liabilities		
43B disallowances	(8,444)	(7,354)
Total	**2,067,438**	**1,993,073**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 7 : Deferred Tax (₹)

Particulars	As at March 31, 2020	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	Charged/ (credited) to equity
Assets				
43B disallowances	2,318	1,914	-	404
Provision for bad and doubtful debts	1,700,480	-	-	1,700,480
Depreciation and amortization due to timing difference	297,629	(77,369)	-	374,998
Liabilities				
43B disallowances	(7,354)	1,090	-	(8,444)
Total	**1,993,073**	**(74,365)**	**-**	**2,067,438**

Note 8: Other Assets (₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current	Non-Current	Current
Prepaid expenses	-	23,241	-	39,963
Gratuity fund balance	32,475	-	25,290	2,993
Balance with government authorities	-	50,057	-	100,276
Total	**32,475**	**73,298**	**25,290**	**143,232**

Note 9: Equity share capital and other equity

9(a): Equity share capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount (₹)	Number	Amount (₹)
(i) Authorized Share Capital				
Equity shares of ₹ 10/- each	5,000,000	50,000,000	5,000,000	50,000,000
Preference shares of ₹ 10/- each				
(ii) Issued, Subscribed & Fully Paid Up Share Capital				
Equity shares of ₹ 10/- each	**2,500,000**	**25,000,000**	**2,500,000**	**25,000,000**

(i) Authorised share capital

Particulars	Number of shares	Amount (₹)
As at April 1, 2019	**5,000,000**	**50,000,000**
Increase during the year	-	-
As at March 31, 2020	**5,000,000**	**50,000,000**
Increase during the year	-	-
As at March 31, 2021	**5,000,000**	**50,000,000**

(ii) Movements in issued, Subscribed & Fully paid up equity share capital

Particulars	Number of shares	Amount (₹)
As at April 1, 2019	**2,500,000**	**25,000,000**
Shares issued during the year	-	-
As at March 31, 2020	**2,500,000**	**25,000,000**
Shares issued during the year	-	-
As at March 31, 2021	**2,500,000**	**25,000,000**

(iii) Terms and rights attached to equity shares

Equity Shares: The Company has 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.

(iv) Shares of the company held by holding/ultimate holding company

Particulars	As at March 31, 2021	As at March 31, 2020
Industrial Investment Trust Limited	2,500,000	2,500,000

(v) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% Holding	Number of shares	% Holding
Industrial Investment Trust Limited	2,500,000	100%	2,500,000	100%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

9(b) : Other Equities (₹)

Particulars	As at March 31, 2021	As at March 31, 2020
General reserve	5,554,919	5,554,919
Retained earnings		
Opening balance	(16,706,394)	(15,894,556)
Add: profit /(loss) for the year	204,853	(821,557)
Items of other comprehensive income recognised directly in retained earnings:		
-Remeasurements of post-employment benefit obligation, net of tax	-	9,718
Closing balance	(16,501,541)	(16,706,395)
Total	**(10,946,622)**	**(11,151,476)**

Nature and purpose of other reserves

General reserves

General reserve has been created out of the profit of the Company. It is a free reserve and same has been created with an intention to park a profit and strengthening the liquid resource of the Company.

Note 10(a) : Trade Payable (₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current	Non-Current	Current
Dues of micro enterprises and small enterprises	-	-	-	-
Dues other than micro enterprises and small enterprises	-	210,852	-	115,146
Total	**-**	**210,852**	**-**	**115,146**

Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follow : (₹)

Particulars	As at March 31, 2021	As at March 31, 2020
i) Principal amount and interest due thereon remaining unpaid to each supplier at the end of each accounting year	-	-
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

Note 10(b) : Other Financial Liabilities (₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current	Non-Current	Current
Interest accrued and due on borrowings	-	14,730,070	-	14,730,070
Total	**-**	**14,730,070**	**-**	**14,730,070**
Default in payment of interest on loan from holding Company	-	14,730,070	-	14,730,070

Note 11 : Other Liabilities (₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current	Non-Current	Current
Statutory remittances (Contributions to PF, Service Tax, GST etc.)	-	900	-	15,448
Salary payable	-	17,092	-	17,092
Total	**-**	**17,992**	**-**	**32,540**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 12 : Provisions

(₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current	Non-Current	Current
Provision for employee benefits (refer note 27):				
- Gratuity	-	-	-	-
- Compensated absences	-	1,555	7,817	1,100
Total	**-**	**1,555**	**7,817**	**1,100**

Note 13 : Revenue from Operations

(₹)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Brokerage income	86,286	2,217,505
Interest:		
- On deposits with banks	862,810	942,213
Total	**949,096**	**3,159,718**
Break-up of brokerage income		
- at a point in time	86,286	2,217,505
- over a period of time	-	-

Note 14 : Other Income

(₹)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest income from Income tax refund	178,146	46,930
Profit on investment property held for sale / Fixed Assets	-	1,349
Total	**178,146**	**48,279**

Note 15 : Employee Benefit Expenses

(₹)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and bonus	31,047	2,606,327
Contribution to provident and other funds	4,577	148,160
Staff welfare expenses	31,164	69,818
Total	**66,788**	**2,824,305**

Note 16 : Finance Costs

(₹)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on Late payment	1,138	642
Total	**1,138**	**642**

Note 17 : Depreciation and Amortisation

(₹)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
on property, plant and equipment	6,649	31,578
on intangible assets	3,828	1,213
Total	**10,477**	**32,791**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 18 : Other Expenses (₹)

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
Electricity charges		12,000	9,000
Rent including lease rentals		24,000	299,000
Repairs and Maintenance		37,720	77,192
Insurance		299	24,073
Rates and taxes		7,724	16,119
Communication expenses		3,459	43,792
Travelling and conveyance		4,928	271,991
Printing and stationery		-	26,346
Legal and professional Fees		90,262	98,739
Payment to Auditors		143,920	141,700
Loss on sale offixed assets		470,097	-
Membership fees		-	15,001
Miscellaneous expenditure		123,942	5,585
	Total	**918,351**	**1,028,538**
Payment to the statutory auditor			
For audit fee		140,000	140,000
For reimbursement of out of pocket expenses		3,920	1,700
	Total	**143,920**	**141,700**
Repairs and Maintenance			
On property		24,000	19,050
On computer		13,720	22,620
On office & office equipments		-	35,522
	Total	**37,720**	**77,192**

Note 19 : Income Tax Expenses (₹)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
a) Current tax		
Current years' tax	-	-
Earlier year	-	59,328
	-	**59,328**
b) Deferred tax		
through Profit and Loss Statement	(74,365)	83,950
through Other Comprehensive Income	-	3,415
	(74,365)	**87,365**

The reconciliation of estimated income tax to income tax expense is as follow: (₹)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Accounting Profit/(loss) before Income Tax	**130,488**	**(678,279)**
Tax on accounting profit at income tax rate of 26%	**33,927**	**(176,353)**
Adjustment for exempted income	-	-
Adjustment for disallowed under Income Tax Act	3,424	(21,654)
Adjustment for allowable under Income Tax Act	(58,278)	(58,278)
Others including earlier years	-	59,328
Loss c/f	20,927	256,285
Tax expenses reported in the Statement of Profit & Loss (Current tax)	-	59,328

Tax losses (₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	76,698,022	76,617,533
Potential tax benefit @26%	19,941,486	19,920,559

A new Section 115BAA was inserted in the Income Tax Act, 1961, by the Government of India which provides an option to companies for paying income tax at reduced rates in accordance with the provision/conditions defined in the said section. The Company has decided to continue with the existing tax structure for the year ended 31st March, 2021.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 20 : Related Party Transactions

a) Details of related parties

Description of relationship	Names of related party
Holding Company : Entity over which the group has significant control :	Industrial Investment Trust Limited Future Generali India Life Insurance Company Limited IITL Corporate Insurance Services Private Limited Nimbus India Limited

b) Transactions with related parties (₹)

Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
Services received		
i) Rent paid		
Nimbus India Limited	-	275,000
Services provided		
i) Brokerage received		
Future Generali India Life Insurance Company Limited	-	1,145,591

c) Outstanding balances at the end of the year (₹)

Nature of Transaction	As at March 31, 2021	As at March 31, 2020
Payable		
i) Interest on loan		
Industrial Investment Trust Limited	14,730,070	14,730,070
iii) Other payable		
Industrial Investment Trust Limited	24,988	64,719
Receivable		
i) Trade receivable		
Future Generali India Life Insurance Company Limited	89,620	89,620

d) Terms and conditions :

(i) The transactions with related parties were at normal commercial terms.

Note 21 : Fair value measurements

a) Financial instruments by category (₹)

Particulars		As at March 31, 2021	As at March 31, 2020
Financial assets			
Trade receivables	Amortised cost	908,220	908,476
Fixed deposit at bank	Amortised cost	2,000,000	2,000,000
Interest accrued but not due on bank deposit	Amortised cost	442,814	229,390
Cash and bank balance	Amortised cost	788,264	298,947
Bank balance other than cash and bank balance	Amortised cost	12,200,000	10,800,000
Security Deposits	Amortised cost	10,609	10,609
Total financial assets		16,349,907	14,247,422
Financial liabilities			
Borrowings		-	-
Trade Payables	Amortised cost	210,852	115,146
Interest accrued and due on borrowing	Amortised cost	14,730,070	14,730,070
Total financial liabilities		**14,940,922**	**14,845,216**

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. Fair values were measured by using level 3 inputs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 21 : Fair value measurements (contd.)

b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

There were no transfers between any levels during the year

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures which are included in level 3.

Note 22 : Earnings per share

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
(a) Basic earnings per share		
Profit attributable to the equity holders of the Company (₹)	204,853	(821,557)
Total basic earnings per share attributable to the equity holders of the Company (₹)	0.08	(0.33)
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	2,500,000	2,500,000

Note 23 : Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the Year ended March 31, 2021 (₹)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Non-current borrowings		
Secured loan	-	-
Unsecured loan	-	-
Current maturities of long term borrowings	-	-
Interest accrued on above borrowings	14,730,070	14,730,070
Total net debt	**14,730,070**	**14,730,070**

(₹)

Particulars	**Secured Loan**	**Unsecured Loan**	**Total**
Net debt As at March 31, 2020	**-**	**14,730,070**	**14,730,070**
Cashflows			
Additional debt raised	-	-	-
Interest expense recorded in profit and loss	-	-	-
Interest expense recorded in capital work in progress			-
Interest paid in cash	-	-	-
Repayment of debt	-	-	-
TDS deducted	-	-	-
Amortization of upfront fees			-
Net debt As at March 31, 2021	**-**	**14,730,070**	**14,730,070**

Note 24 : Contingent Liabilities (₹)

Particular	**As at March 31, 2021**	**As at March 31, 2020**
Claims against the Company not acknowledge as debt		
- Claims filed with District Consumer Dispute Redressal forum (refer footnote 'a')	594,510	594,510
- Disputed income tax matter in appeal (refer footnote 'b')	16,201,310	16,201,310

Notes:

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 Rs 1,62,01,310/- against which the Company has filed an appeal.

Commitments:

There are no outstanding commitments which need to be fulfilled by the Company at each respect period end.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 25 :

The Company in its Board meeting on November 12, 2019, has decided closure of its insurance broking business in all segments and further decided to surrender the “Direct Broker” license. Subsequently, the Company has made an application to the Insurance Regulatory & Development Authority of India (IRDAI for the surrender of “Direct Broker” License during the year ended March 31, 2021. However, regulatory approval for the cancellation of license is pending.

Note 26 : Financial risk management

The Company’s business activities expose it to a variety of financial risks, namely credit risk and liquidity risk.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company’s receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

The Company has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e., insurance broking provided by the Company. The Company ensures concentration of credit does not significantly impair the financial assets. The Company, based on the credit information available with its, has provided expected credit loss. Rest of the exposure is to the Customers which are well established and from reputed industries.

Expected credit loss for trade receivables under simplified approach

Particulars	Amount (₹)
As at March 31, 2021	6,540,307
As at March 31, 2020	6,540,307

b) Management of liquidity risk:

Liquidity risk is the risk that the Company will fail in meeting its obligations associated with its financial liabilities. The Company’s approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company’s credit rating and impair investor confidence.

The following table shows the maturity analysis of the Company’s financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date: (₹)

Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
As at March 31, 2021					
Trade Payables	210,852	210,852	-	-	210,852
Interest accrued and due on borrowing	14,730,070	14,730,070	-	-	14,730,070
Total	**14,940,922**	**14,940,922**	**-**	**-**	**14,940,922**
As at March 31, 2020					
Trade Payables	115,146	115,146	-	-	115,146
Interest accrued and due on borrowing	14,730,070	14,730,070	-	-	14,730,070
Total	**14,845,216**	**14,845,216**	**-**	**-**	**14,845,216**

c) Management of Market risks

Market risks comprises of:
- price risk; and
- interest rate risk

The company does not designate any fixed rate financial assets as fair value through profit and loss nor at fair value through OCI. Therefore company is not exposed to any interest rate risks. Similarly company does not have any financial instrument which is exposed to change in price.

d) Capital Management

Equity share capital, other equity and secured borrowings from the banks are considered for the purpose of Company’s capital management. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management’s judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may borrow from external parties such as banks or financial institutions. The Company’s policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain shareholder, creditor and stakeholder confidence to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 27 : Segment revenue

Description

The company's operating decision are taken by the Board of Directors, which examines performance of the Company and access the performance of the Operating Segment. The company is engaged in the business of broking of insurance policies which falls within a single business segment. The segment revenue is measured in the same way as in the statement of profit or loss.

Hence there are no reportable segments as defined in Indian Accounting Standard (Ind AS 108) on "Segment Reporting".

Note 28 : Employee Benefit

Defined contribution plans

The company makes Provident Fund Contributions to defined contribution plans for qualifying employees. Contributions are made to provident fund in India for employees at the rate of 12% of basic wages as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company recognised Rs Nil/- (Year ended Mar 31, 2020 Rs 58,861/-) for Provident Fund contributions in the Statement of Profit and Loss.

Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company's gratuity liability is funded.

The company has carried out the actuarial valuation of Gratuity liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

(₹)

Particulars	Present value of obligation		Fair value of plan assets	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Opening balance	**37,721**	**140,902**	**66,004**	**88,355**
Current service cost	-	6,294	-	-
Past service cost	-	-	-	-
Interest expense/(income)	-	13,881	-	3,256
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-	(2,050)
(Gain)/loss from change in demographic assumptions	-	-	-	-
(Gain)/loss from change in financial assumptions	-	912	-	-
Experience (gains)/losses	-	(16,095)	-	-
Transfer in/(out)	-	-	-	-
Employer contributions	-	-	-	84,616
Benefit payments	-	(108,173)	-	(108,173)
Closing balance	**37,721**	**37,721**	**66,004**	**66,004**

(₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of funded obligations	37,721	37,721
Fair value of plan assets	66,004	66,004
Net liability /(assets)	**(28,283)**	**(28,283)**

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Gratuity

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate		6.55%
Salary escalation rate		7.00%
Withdrawal rates	10% at younger ages reducing to 2% at older ages	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Gratuity (contd.)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption (%)		Impact on defined benefit obligation (₹)			
			Increase in assumption		Decrease in assumption	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Discount rate		0.05%	-	35,514	-	40,163
Salary escalation rate		0.05%	-	40,141	-	35,513
Withdrawal rates		10.00%	-	37,591	-	37,861

Risk Exposure

These plans typically expose the Company to actuarial risks such as:Longevity risk and salary risk.

Maturity Analysis (₹)

Particulars	Less than a year	Between 2-5 yrs	Between 6-10 yrs	Over 10 yrs	Total
Defined Benefit Obligation					
As at March 31, 2021	-	-	-	-	-
As at March 31, 2020	2,993	10,155	11,009	-	24,157

Actuarial valuation report in accordance with INDAS-19 is not required. As there is no employee in the Company as on March 31, 2021.

Note 29 : Estimation of Uncertainties Relating to the Global Health Pandemic COVID-19

The Covid-19 pandemic which started in India during March 2020 eased to a greater extent during October – November 2020. The resurgence of the pandemic which can be termed as second wave brought back lock downs, eroded revenues and put the livelihoods under threat. This second wave crippled many sectors and caused untold miseries in almost every part of the country. The impact has been more catastrophic this time. The surge in cases and fatalities due to the second wave and the regional lock downs, dented India's economy. The economy has shrunk a record of 7.3% in Financial Year 2021. The second wave has snuffed out the recovery made after the first wave. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Company expects to recover the carrying amount of trade receivables, financial assets and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

Note 30 : Lease

Effective 1st April 2019, Ind AS 116 'Leases' became applicable wherein all leases on balance sheet date are required to be recognized by a lessee as 'Right of Use' (ROU) assets and corresponding amount as 'Lease libility', and provide Depreciation for the ROU assets and Finance cost for interest on accrued liability. However, the Company does not have any long term lease for own use or a lease to which erstwhile Ind AS 17 on 'Leases' used to apply and hence, the impact of Ind AS 116 is Nil.

Note 31 :

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

Note 32 :

The Financial Statement is approved by the Board of Directors of the Company in the meeting held on June 23, 2021.

In terms of our report attached.

For Desai & Kinare
Chartered Accountants
Firm Registration No.: 119575W

Shashikant Desai
Partner
Membership No. : 34105

Mumbai: June 23, 2021

For and on behalf of the Board of Directors

Bipin Agarwal
Director
DIN 00001276

Mumbai: June 23, 2021

Venkatesan Narayanan
Director
DIN 00765294