



# INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

( A Company incorporated under section 25 companies Act.1956 )

Head Office:-315,Paras Chambers,D.No.-3-5-890,HimayatNagar, Hyderabad-500029(TS)

e-mail : iiisla.ad2013@gmail.com, admin@iiisla.co.in, Web-site : www.iiisla.co.in.,

Telephone Numbers: 040- 66253666, 040-23261072, 040-23261073

## NOTICE OF THE 8<sup>TH</sup> ANNUAL GENERAL MEETING

CIN: U80902TG2005NPL047675

Notice is hereby given that the EIGHTH ANNUAL GENERAL MEETING of **INDIAN INSTITUTE OF INSURANCE SURVEYORS & LOSS ASSESSORS** will be held on Tuesday the 27<sup>th</sup> December, 2016 at 11.30 AM at Taramati Baradhari, TSTDC, Ibrahim Bagh, Hyderabad, Telangana to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet ,Statement of Income & Expenditure and Cash Flow Statement for the year ended 31st March, 2016 as at that date and the Director's and Auditors report thereon.

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

**RESOLVED** that in terms of the provisions of Sections 139-142 and other applicable provisions, if any, of the Companies Act, 2013 read with the underlying rules viz. Companies (Audit and Auditors) Rules, 2014 as may be applicable and pursuant to the resolution of the Members at the Sixth Annual General Meeting held on December 30, 2014, the appointment of M/s Sharad & Associates, Chartered Accountants (Registration No. 006377S), as statutory auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the Seventh Annual General Meeting (AGM) of the Company, be ratified by the Members on a remuneration and such other tax(es) (as may be applicable) and reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company (including terms of payment) to be fixed by the Board of Directors of the Company.

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

**RESOLVED** that in terms of the provisions of the Companies Act, 2013 read with Rules, Regulations and Notifications issued from time to time, Board of Directors are hereby authorised to avail of and take advantages of any and all exemptions granted to Section 8 Companies under the Companies Act, 2013 vide Notification No. GSR 466(E) Dt 05.06.2015 as long as they are not detrimental to the interest of the Institute.

BY ORDER OF THE BOARD

BASAVARAJU SHIVAPARAKASH  
DIRECTOR & SECRETARY TO THE COUNCIL  
DIN:07102200

Hyderabad, dated this  
2<sup>nd</sup> day of December, 2016

### NOTES:

1. None of the Directors are interested in these Resolutions.



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## BOARD REPORT

CIN: U80902TG2005NPL047675

To the Members,

Your Directors have pleasure in submitting their Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016

### 1. FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous years figures are given hereunder :

Particulars	For the Year ended March 2016	For the Year ended March 2015
Revenue From Operations	45533349	18051211
Other Income	2803639	8679640
Total Income	48336988	26730851
Less: Interest	0	0
Profit before Depreciation	8946347	19529488
Less Depreciation	260546	260810
Profit after Interest and Depreciation	8685801	12618260
Less Current Income Tax(including Deferred Tax)	3696468	2990853
Net Profit/(loss) after Tax	4989333	9627407
Transferred to General Reserve	0	0
Balance carried to Balance Sheet	4989333	9627407

### 2. DIVIDEND

It being not-for-profit company, dividend is not envisaged

### 3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

### 4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

The first Board Meeting of elected council members was held in Hyderabad on 20th of Feb, 2015 where the Nominee Directors have handed over the charge of IISLA Administration to the fully elected IISLA Council. The IISLA Council after taking the charge has called for Zonal and Chapter meet at Surajkund, Faridabad on 13.04.2015 where all the important decisions have been made with regard to the operations at IISLA, roles and responsibilities of Chapters and Zones, Guidelines on formation of units, allocation of funds to Chapters and Zonal Offices. The council has also sought the observations of the Zonal and Chapter council members on various matters concerning the profession, IMF, disciplinary proceedings against the erring members Insurance Amendment Bill and many other issues.

The IISLA Council has funded an initial amount of Rs. 50,000.00 to each chapter and Zonal office after opening the bank accounts with Axis Bank to all the Chapter and Zonal Offices. The chapters and zones were directed to undertake various activities in their respective regions.

### **Retirements and Transfers:**

Shri M. Ramaprasad , Nominee Director IISLA was retired owing to his retirement as Member IRDA and Chairman GI Council .The other nominee director Smt Sudha Ramanujam was also transferred to Chennai from Hyderabad leaving a void in the IISLA Council with regard to the representation of IRDA in the Council. The IISLA Council has time and again reminded IRDA and GI Council for appointment of new Nominee Directors in place of the Shri M. Ramaprasad and Smt Sudha Ramanujam.

### **Operations:**

A total of 597 new memberships and 397 student memberships were issued in the year and 95 members have been upgraded from Associate members to Fellow members. The gist of activities with regard to operations is as below.

<b>Membership Details upto the year 2015-16</b>				
<b>Description</b>	<b>Licentiate</b>	<b>Associate</b>	<b>Fellow</b>	<b>Total</b>
Total Members as on 01.04.2015	1048	4785	2359	8192
New Members added during the year(Add)	330	267	2	599
Members upgraded to Fellow in 2015-16		-95	95	0
Members upgraded to Associate in 2015-16	-6	6		0
Members Degraded from Fellow to Associate in 2015-16		11	-11	0
Members Degraded from Associate to Licentiate in 2015-16	2	-2		0
Members Degraded from Fellow to Licentiate in 2015-16	1		-1	0
<b>Total Members as on 31.03.2016</b>	<b>1375</b>	<b>4972</b>	<b>2444</b>	<b>8791</b>
Exits (Expired/discontinued/retired members)				-69
<b>Total Active Members</b>				<b>8722</b>

<b>Student Membership Details</b>	
No. of Student Members as no 01.04.2015	390
Student Members added during the year 2015-16	397
<b>Total No. of Student Members as on 31.03.2016</b>	<b>787</b>

### **Information Technology initiatives:**

A well designed Website of IISLA was put on 'live' for access to all the members and to share information related to the institute. Updation of website is a continuous process and necessary modifications will be made as and when necessary, based on the requirements.

A separate Tab "Know your Subscription" is placed on the website to enable the member to know his subscription directly without inquiring the Admin Office. To facilitate the members the search criteria has been included with name, membership no. and SLA No. The data is being updated on regular basis to enable the member to know his subscription dues and thereby make the payment.

The Information of all the Zones and Chapters are uploaded on the website to enable the new applicants and also the members to know the details of the Zone/ Chapter Council Members along with their designations, and contact details.

An integrated module encompassing all the activities such as inwards, outwards, nomination for GPA Policy, accounting of subscription and many other several activities is being developed which help us in generation of various MIS which will help us in improving the member services.

The major activity under taken under the head of IT initiatives is the digitalization of member records. Around 90% of the members' files and records are scanned and maintained at Head office which will offer us many multiple benefits.

The IISLA Council has also decided to make the registrations of the training program me online so that the members from all over country can take advantage of the training sessions. The IT department is actively working on the various modalities to ensure that suitable training module is developed and placed on the website so as to enable the members take advantage of the sessions and register for the programmes.

### **Members Welfare:**

The Group Personal Accident policy has renewed in the month of September, 2015 covering more members with maximum allowable discount in premium from New India Assurance Co, Faridabad for a Sum Assured of Rs. 10,00,000.00 for the benefit of all the members. The details of the policy were made available on the website. Admin Office extends its support and guide the claimants as when the need arises and in following-up with the insurance company for early settlement of claims.

Representations (Members request for conducting EGM at Kanpur were being received to create Benevolent fund for the benefit of the members.( The IISLA Council worked on the feasibility of creating the Benevolent Fund, the benefits, the modalities of implementation etc. and also has sought the opinions and suggestions from the members in this regard.)

An EGM was called at Kanpur & finally BF has came into existence w.e.f 01.04.2016.

We have renewed with bulk SMS provider and have been communicating the important information to all the members by way of SMS whenever there is an update of the same.

### **Trainings/Workshops/ Seminars:**

Training presents a prime opportunity to expand the knowledge base of all Surveyors, but many surveyors find the development opportunities expensive. Continuous training also keeps surveyors on the cutting edge of industry developments. A structured training and development program ensures that surveyors have a consistent experience and background knowledge. The IISLA Council has given top priority to training of the members on continuous basis in order to achieve more productive results and meet the service expectations of the Insured and as well as Insurer. In view of the mandatory requirement of 100 hours for up gradation of membership from Licentiate to Associate and 50 hours for up gradation from Associate to Fellow many training sessions have been conducted during the year across the country for the benefit of the members. The details of the training sessions conducted are as under.

The IISLA Council have also taken the initiative of forming a joint venture with Insurance Institute of India, Mumbai to arrange for the training sessions at nominal fees in different disciplines and department for the benefit of members.

**Details of the Training sessions conducted by IISLA - Financial year-2015-16**

S.no.	Session on Department	Date of Session	No. of days	Conducted at	Conducted by Chapter
1	Motor	19.04.2015	One	Katni	Madhya Pradesh
2	Miscellaneous	25.04.2015	One	Ranchi	Jharkhand
3	Fire	09.05.2015	One	Bhubaneswar	Odisha
4	Fire, Marine , Motor	30.05.2015	Two	Raipur	Chattisgarh
5	Motor & Marine Policy	11.06.2015	Three	Khajuraho	Madhyapradesh
6	Motor policies	14.06.2015	Two	Mandu	Vadodara Unit, Gujarat
7	Motor	20.06.2015	One	Guwahati	North East

9	Motor and Marine	10.07.2015	Two	Kolkata	West Bengal
10	Motor and Legal Aspects	18.07.2015	One	Kurukshektra	Haryana
11	Motor	19.07.2015	One	Bhilai	Chattisgarh
12	Motor	25.07.2015	One	Ranchi	Jharkhand
13	Motor and Fire	25.07.2015	One	Ganganagar	Rajasthan
14	Advanced Motor	06.08.2015	Three	Mumbai	III-IIISLA Joint Venture
15	Motor and Marine (Cargo)	16.08.2015	One	Lucknow	Uttarpradesh
16	Fire and FLOP Insurance	19.08.2015	Three	Mumbai	III-IIISLA Joint Venture
17	Motor and Miscellaneous	21.08.2015	Three	Delhi	Delhi
18	Fire	22.08.2015	One	Baroda	Vadodara Unit, Gujarat
19	Motor	29.08.2015	ONE	Sangli	Maharashtra
20	Motor & Miscellaneous	30.08.2015	One	Bokaro	Jharkhand
21	Motor and Engineering	05.09.2015	Two	Nagpur	Maharashtra
22	Motor	05.09.2015	One	Chandigarh	Haryana
23	Motor, Policy Conditions	11.09.2015	Three	Pushkar	Rajasthan
24	Engineering	12.09.2015	One	Bhubaneswar	Odisha
25	Motor and Fire	12.09.2015	One	Ahmedabad	Gujarat
26	Motor and Marine	13.09.2015	One	Mumbai	Mumbai Unit
27	Motor and Miscellaneous	19.09.2015	One	Mirzapur	Uttarpradesh
28	Motor	20.09.2015	One	Bilaspur	Chattisgarh
29	Motor	26.09.2015	One	Mathura	Aligarh Unit, uttarakhand
30	Motor & Miscellaneous	02-10-2015	Three days	Katra(J&K)	J & K Chapter
31	Motor ,Fire	03-10-2015	Two Days	Pune	Maharashtra
32	Motor & Engineering	09-10-2015	Three days	Candolim	Goa Chapter
33	Motor	16-10-2015	Three days	Vijayawada	Andhrapradesh
34	Motor,Marine	17-10-2015	One Day	Kanpur	Uttarpradesh
35	Motor,Fire,miscellaneous	25-10-2015	One Day	Indore	Madhya Pradesh
36	Engineering	26-10-2015	Three days	Mumbai	III-IIISLA Joint Venture
37	Motor,Engg	31-10-2015	Two Days	Central Bengal Unit	West Bengal
38	Motor	01-11-2015	One Day	Delhi Chapter	Delhi
39	Motor,Misc,Marine	20-11-2015	Three Days	Dharampur	Haryana
40	Engg	20-11-2015	Two days	Bhilai Unit	Chattisgarh
41	Motor	28-11-2015	Two days	Kolhapur	Maharashtra
42	Motor,Engg,	28-11-2015	Three Days	Bhimtal	Uttarakhand
43	Misc	28-11-2015	One day	Bongaigaon Unit	North East
44	General Insurance Principles and surveyor Practice	04-12-2015	Two Days	Tiruchirappalli	Tamil nadu
45	Motor	05-12-2015	Two days	Bhubaneswar Unit	Odisha
46	M.Cargo	14-12-2015	Three days	Mumbai	III-IIISLA Joint Venture
47	M.Hull	14-12-2015	Three days	Mumbai	III-IIISLA Joint Venture
48	Engg,Fire	18-12-2015	Two days	Visakhapatnam Unit	Andhra Pradesh
49	Motor,M.cargo	18-12-2015	Three Days	Gandhidham Unit	Gujarat
50	Motor,Misc cum Fire	19-12-2015	Two days	Satpura Unit, Jabalpur	M.P Chapter
51	Motor & Marine	31-12-2015	Three Days	Faridabad	NCR Chapter
52	Motor	09-01-2016	Two days	Dhanbad Unit	Jharkhand
53	Motor & Fire	14-01-2016	Three days	Khalini Shimla	Himachal Chapter
54	Motor & Fire	23-01-2016	Two days	Aurangabad Unit	Maharashtra
55	(motor)Case Study	23-01-2016	Two days	Yercaud	Tamil Nadu
56	(Engg) Case Study	25-01-2016	Two days	Yercaud	Tamil Nadu
57	Motor	05-02-2016	Three days	Hyderabad	Telangana

59	Motor & Fire	13-02-2016	Two days	Assam	IIISLA-East Zone
60	Motor	19-02-2016	Two days	Hubli Unit	Karnataka
61	Accidental & External	20-02-2016	Two days	Allahabad	UP Chapter
62	Motor & Marine	05-03-2016	Two Days	Zirakpur	Punjab
63	Engineering	13-03-2016	One day	Vadodara	Gujarat
64	Miscellaneous	19-03-2016	One day	Jabalpur	Madhya Pradesh

### **Other activities:**

The AGM was conducted on 29<sup>th</sup> Sept, 2015 at Hyderabad and the accounts of 2014-15 were adopted by the AGM.

The following changes have taken place in the office bearers in the board meeting held on 07.03.2016, at Hyderabad .

Shri Lalit Gupta- President

Shri J.C.Joshi- Vice President

Shri Nirmal Tripathi- Secretary

Shri Ashwani Agarwal- Treasurer.

### **5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

### **6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

### **7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence is very minimal.

### **8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

### **9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There was no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

### **10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

**11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

The explanations /comments made by the Board relating to the qualifications, reservations or adverse remarks made by the Auditors in their report are furnished Annexure ... and is attached to this report. The provisions relating to submission of Secretarial Audit Report in not applicable to the Company.

**12. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

**13. ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration ) Rules, 2014 is furnished as Annexure and is attached to this Report.

**14. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Company had 6 Board meetings during the financial year under review on 13.04.2015, 20.07.2015, 28.09.2015, 07.03.2016, 11.03.2016 and 26.03.2016 .

**15. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.- Not applicable to Private Limited Company.

Internal financial control means the policies and procedures adopted by the Company 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.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company .

**17. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

## 18. DIRECTORS

Mr. Rahul N Jadhav, Mr. B. Shivaprakash, Mr. Tanmoy Sarkar and Mr. Nirmal Tripathi retired during February, 2016 however were granted extension for 90 days.

## 19. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

## 20. STATUTORY AUDITORS

M/s Sharad & Associates, Chartered Accountants, were appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held on 30<sup>th</sup> December 2014. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

## 21. RISK MANAGEMENT POLICY

The Statement showing the details regarding the development and implementation of Risk Management Policy of the Company is furnished as under:

S. No.	Identified Risks	Control Measures in place
1	Loss of Data	Data backup is being taken on day to basis
2	Corruption of Data	Antivirus with latest updates are in place and monitored on weekly basis
3	Internal and External Network Issues	Assessment of the functioning of Networks on regular basis and taking necessary corrective action as and when required
4	Email Related issues	Email related issues are monitored on regular basis and necessary corrective action as and when required
5	System Hardware related issues	Monitoring the system requirements and troubleshooting as and when required.
6	Storage of Physical files	Files are stored in Filing cabinets and shelves. We are now storing the records of the members in electronic form to mitigate the loss / damage of the files

## 22. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

## 23. SHARES

The Company is limited by Guarantee, accordingly no such reporting is required.

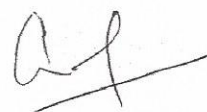
## 24. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Lalit Gupta  
President & Director  
DIN:00626039



Ashwani Agarwal  
Treasurer & Director  
DIN: 07102466



**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2016****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)  
of the Company (Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U80902TG2005NPL047675
2.	Registration Date	04/10/2005
3.	Name of the Company	INDIAN INSTITUTE OF INSURANCE SURVEYORS & LOSS ASSESSORS
4.	Category/Sub-category of the Company	Company Limited by Guarantee/ Company Licensed under Section 25
5.	Address of the Registered office & contact details	3 <sup>rd</sup> floor, Parishram Bhavan, Basheerbagh, Hyderabad-500004, Telangana
6.	Whether listed company	Not Listed
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Not Applicable		
2			
3			

**III. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1			
2			
3			







**Independent Auditors' Report**

**To the Members of Indian Institute of Insurance Surveyors and Loss Assessors**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Indian Institute of Insurance Surveyors and Loss Assessors ("the company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Income and Expenditure, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

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 on the financial statements.



**Basis for Qualified Opinion**

**1. Chapter/Zonal Office Accounts**

We draw attention to Note No.19 of Notes forming part of financial statements where it is mentioned that the transactions pertaining to all the chapters/zones of the Institute have been incorporated in the accounts of the company based on the photocopies of the Income & Expenditure Account and supporting received, thereby the effect of which on the Assets, Liabilities and surplus could not be ascertained.

**2. Loans & Advances to Related Parties**

We draw attention to Note 10(b) of Notes forming part of financial statements where there is a receivable from Mr. Iqbal Tada amounting to Rs 209853 and Mr Santosh Sarkar amounting to Rs 62384 however the amount receivables have been long outstanding and there were no efforts on records of the company to recover the amount. The impact of such long outstanding on the Assets and consequential effect on the Assets and surplus, if any, could not be ascertained.

**3. Subscription Receivable**

We draw attention to Note 11 of Notes forming part of financial statements where the Receivable from members towards subscription is disclosed. On our verification of the member's data base maintained in the in house developed "ZAM" Software the outstanding receivable as per the software does not match with the outstanding receivables disclosed in the financial statements. The differences has not been reconciled and the impact thereof on the Assets and consequential effect on the surplus, if any, could not be ascertained.

**4. Effect of Opening Balances**

We draw attention to Note No. 21 where it is stated the accounts till 30.06.2012 were drawn up based on records and documents as had been recovered by the IRDA and possessed by the Institute from the IRDA basing on the directives of Hon. High Court, Ahmedabad on 24.07.2012. Further many vouchers are found to be short of appropriate supporting and evidences and payments made through bank are accounted on presumptive basis upon analyzing the nature of payments or the entities to whom the payments were made for those which are not supported by bills, invoice and vouchers. The transactions and events have cumulative impact on the financials figures of the reporting period and impact of which on the Assets, Liabilities and surplus could not be ascertained.

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the basis for qualified opinion



*paragraph* the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its surplus and its cash flows for the year ended on that date

#### **Emphasis of Matters**

We draw attention to the following matters in the Notes to the financial statements:

1. Note 4 (g) to the financial statements which describes the adjustments made to the fund accounts to make it at par with the fixed deposits earmarked.
2. Note 5 (a) to the financial statements which describes the liability towards insurance claim of members.
3. Note 6 (g) to the financial statements which describes the liabilities written back by the company.
4. Note 6 (h) to the financial statements which describes the provision for income tax made along with interest for financial years pertaining to 2007-08, 2008-09, 2009-10.
5. Note 9 (e) to the financial statements which describes the demand draft received by South zone chairman against closure of bank account by the zone and the same being honored during the reporting period.
6. Note 9 (g) to the financial statements which describes the matured fixed deposits during the reporting period and renewed with new account numbers with the same bank.
7. Note 10(b) to the financial statements which describes the loans and advances to past directors, zones/chapters and members.
8. Note 15(a) to the financial statements which describes the amount of expenditure incurred towards Digitization of members records undertaken by the company during the reporting period
9. Note 15 (b) to the financial statements which describes the prior period expense recognized on subscription.

Our opinion is not modified in respect of these matters.

#### **Report on other Legal and Regulatory Requirements**

1. The Companies (Auditor's Report) Order, 2016 ('the order') issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, is not applicable to the company since the company is licensed to operate under Section 8 of the Companies Act, 2013
2. As required by section 143(3) of the Act, we report that:
  - a. *Except for effects of the matters stated in the basis for qualified opinion* 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.



**SHARAD & ASSOCIATES**  
CHARTERED ACCOUNTANTS

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- b. *Except for effects of the matters stated in the basis for qualified opinion* in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us
- c. *Except for effects of the matters stated in the basis for qualified opinion* the Balance Sheet, the Statement of Income and Expenditure, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and the returns received from the branches not visited by us.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company do not have pending litigations which would affect its financial position
  - The Company has not made provision since the Institute did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
  - There were no amounts which required to be transferred to Investor Education and Protection fund since the same the said clauses are not applicable to the Company

For SHARAD & ASSOCIATES  
Chartered Accountants  
Firm Registration Number: 063775

Sharad Sinha  
Partner

Membership number: 202692



Place: Hyderabad  
Date: Dec 2, 2016

**Annexure A to the Auditors' Report**

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

We have audited the Internal Financial Controls over financial reporting of Indian Institute of Insurance Surveyors and Loss Assessors ('the Company') as of March 31, 2016 in conjunction with our audit of the financial statements of the company for the year ended on that date

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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





SHARAD & ASSOCIATES  
CHARTERED ACCOUNTANTS

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016 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.

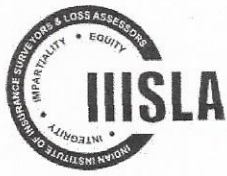
For SHARAD & ASSOCIATES  
Chartered Accountants  
Firm Registration Number: 063775

Sharad Sinha  
Partner

Membership number: 202692



Place: Hyderabad  
Date: Dec 2, 2016



# INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

( A Company incorporated under section 25 companies Act.1956 )  
 Head Office:- 315,Paras Chambers,D.No.-3-5-890,HimayatNagar, Hyderabad-500029(TS)  
 e-mail : iiisla.ad2013@gmail.com, admin@iiisla.co.in, Web-site : www.iiisla.co.in.,  
 Telephone Numbers: 040- 66253666, 040-23261072, 040-23261073




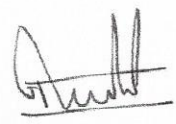
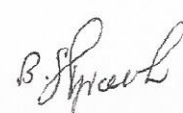

## Balance Sheet as at March 31, 2016

	Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital		-	-
	(b) Reserves and surplus Money received against share	4	14,55,42,374	12,39,99,985
	(c) warrants		-	-
<b>2</b>	<b>Share application money pending allotment</b>		-	-
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings		-	-
	(b) Deferred tax liabilities (Net)		-	-
	(c) Other Long term liabilities		-	-
	(d) Long-term provisions		-	-
<b>4</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings		-	-
	(b) Trade payables		-	-
	(c) Other current liabilities	5	23,35,952	21,19,197
	(d) Short-term provisions	6	59,56,391	1,01,36,614
	<b>TOTAL</b>		<b>15,38,34,717</b>	<b>13,62,55,797</b>

II. ASSETS				
<b>1</b>	<b>Non-current assets</b>			
(a)	Fixed assets			
	Tangible Assets	7	5,36,368	4,62,994
	Intangible Assets		1,52,287	2,62,657
	Capital Work - in - Progress		-	-
	Intangible Assets under development		-	-
(b)	Non-current investments		-	-
(c)	Deferred tax assets (net)		-	-
(d)	Long-term loans and advances		-	-
(e)	Other non-current assets	8	1,65,000	1,65,000
<b>2</b>	<b>Current assets</b>			
(a)	Current investments		-	-
(b)	Inventories		-	-
(c)	Trade receivables		-	-
(d)	Cash and cash equivalents	9	14,24,48,280	11,42,68,204
(e)	Short-term loans and advances	10	3,30,187	10,46,049
(f)	Other current assets	11	1,02,02,595	2,00,50,893
	<b>TOTAL</b>		15,38,34,717	13,62,55,797

<b>Notes forming Integral part of accounts</b>	1-21	-
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**As per our report of even date attached**

<p><b>For SHARAD &amp; ASSOCIATES</b>  <b>Chartered Accountants</b>  <b>Firm Reg.No.006377S</b></p>   <p><b>SHARAD SINHA</b></p> <p><b>Partner</b></p> <p><b>M. No 202692</b></p>	<p><b>For and on behalf of the Board</b></p>  <p><b>President</b></p>  <p><b>Vice President</b></p>  <p><b>Secretary</b></p>  <p><b>Treasurer</b></p>
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**Hyderabad, dated this 2nd day of December 2016**



# INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

( A Company incorporated under section 25 companies Act.1956 )  
 Head Office:-315,Paras Chambers,D.No.-3-5-890,HimayatNagar, Hyderabad-500029(TS)  
 e-mail : iiisla.ad2013@gmail.com, admin@iiisla.co.in, Web-site : www.iiisla.co.in.,  
**Telephone Numbers: 040- 66253666, 040-23261072, 040-23261073**

## Statement of Income & Expenditure For The Year Ended March 31, 2016

	Note No	2015-16	2014-15
I. Revenue from operations	12	4,55,33,349	1,80,51,211
II. Other income	13	34,83,884	86,79,640
<b>III. Total Revenue</b>		<b>4,90,17,233</b>	<b>2,67,30,851</b>
<b>IV. Expenses:</b>			
Employee benefits expense	14	18,88,585	21,08,620
Operation and Other Expenses	15	3,77,43,932	50,72,479
Finance Costs	16	9,124	20,263
Depreciation and amortization expense	7	2,60,546	2,60,810
<b>V. Total expenses</b>		<b>3,99,02,187</b>	<b>74,62,172</b>
<b>VI. Surplus before exceptional and extraordinary items and tax (III-IV)</b>		<b>91,15,046</b>	<b>1,92,68,678</b>
<b>VII. Exeptional items</b>	<b>20</b>	-	67,34,335
<b>VIII. Surplus before extraordinary items and tax (V - VI)</b>		<b>91,15,046</b>	<b>1,25,34,343</b>
<b>IX. Extraordinary Items</b>		-	-
<b>X Surplus before tax (VII- VIII)</b>		<b>91,15,046</b>	<b>1,25,34,343</b>
<b>XI Tax expense:</b>			
(1) Current tax		36,96,468	29,90,853
(2) Deferred tax		-	-
<b>XII Surplus (Defecit) for the period from continuing operations (VII-VIII)</b>		<b>54,18,578</b>	<b>95,43,490</b>
<b>XIII Surplus/(Deficit) from discontinuing operations</b>		-	-
<b>XIV Tax expense of discontinuing operations</b>		-	-

XV	Surplus/(Defecit) from Discontinuing operations (after tax) (XII-XIII)		-	-
XVI	Surplus (Defecit) for the period (XI + XIV)		54,18,578	95,43,490
	Notes forming Integral part of accounts	1-21		

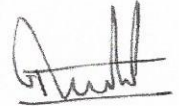
As per our report of even date attached to the Balance Sheet

93,75,592

For SHARAD & ASSOCIATES  
Chartered Accountants

For and on Behalf  
of Board of  
Directors

Firm reg.No. 006377S

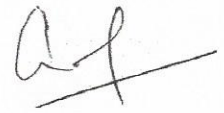

SHARAD SINHA  
Partner



President

Vice President

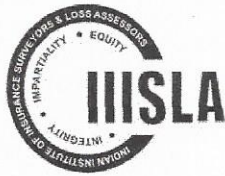
M. No 202692

Hyderabad, dated this 2nd day of December 2016

Secretary

Treasurer



# INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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**Telephone Numbers: 040- 66253666, 040-23261072, 040-23261073**

## Cash Flow Statement for the year ended March 31, 2016

Particulars	2015-16		2014-15	
	.	.	.	.
<b><i>Cash Flow from Operating Activities</i></b>				
Surplus before tax and extra ordinary items	91,15,046		1,26,18,260	
Add: Baddebts	-		-	
Add: Interest	-		-	
Add: Depreciation	2,60,546		2,60,810	
Add: Loss on sale of fixed asset	-			
Less: Excess Depreciation Charged in Previous year	-		-	
<b><i>Cash flow before working capital changes</i></b>	<b>93,75,592</b>		<b>1,28,79,070</b>	
<b><i>Increase/(Decrease) in Non-Current Liabilities</i></b>				
Other Long Term Liabilities	-		-	
Long-term Provisions	-		-	
<b><i>Increase/(Decrease) in Current Liabilities</i></b>				
Short-term Borrowings	-		-	
Trade Payables	-		-	
Other Current Liabilities	2,16,755		11,44,033	
Short-term Provisions	(41,80,224)		54,41,865	
<b><i>(Increase)/Decrease in Non-Current Assets</i></b>				
Long-term Loans & Advances	-		-	
Other non-current Assets	-		-	
<b><i>(Increase)/Decrease in Current Assets</i></b>				
Inventories	-		-	
Trade Receivables	-		-	
Short-term Loans & Advances	7,15,862		1,66,923	
Other Current Assets	98,00,673		(61,15,142)	
<b><i>Cash generated from operations</i></b>	<b>1,59,28,658</b>		<b>1,35,16,749</b>	
Income taxes Paid	(36,96,468)		(83,15,758)	
<b><i>Net Cash from Operating Activities</i></b>		<b>1,22,32,190</b>		<b>52,00,990</b>

**Cash flow from Investing Activities**

Sale of Asset

-

-

Purchase of Fixed Assets

(2,23,550)

(2,51,616)

**Net Cash Flow from Investing Activities**

(2,23,550)

(2,51,616)

**Cash Flow from Financing Activities**

Proceeds from Corpus Funds

73,41,500

37,45,000

Transferred to Corpus Fund -

Earmarked Fixed Deposits

88,29,936

67,36,339

**Net Cash Flow from Financing Activities**

1,61,71,436

1,04,81,339

Net Increase/(Decrease) in Cash

2,81,80,076

1,54,30,713

Add: Cash and cash equivalents

from at the beginning of the year

11,42,68,204

9,88,37,490

Cash and cash equivalents from at

the end of the year

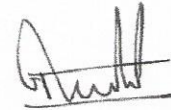
14,24,48,280

11,42,68,204

As per our report of even date  
attached to the Balance SheetFor SHARAD & ASSOCIATES  
Chartered Accountants

For and on Behalf of Board of Directors

Firm Reg No. 06377S



President

Vice President

SHARAD SINHA



Partner

Secretary

Treasurer

M. No 202692

Hyderabad, dated this 2nd day of  
December 2016



# INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

( A Company incorporated under section 25 companies Act.1956 )  
Head Office:-315,Paras Chambers,D.No.-3-5-890,HimayatNagar, Hyderabad-500029(TS)  
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**Telephone Numbers: 040- 66253666, 040-23261072, 040-23261073**

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1. Company Overview

The Indian Institute of Insurance Surveyors and Loss Assessors (Institute) was incorporated on 01.10.2005 under section 25 of Companies Act, 1956 and was promoted by Insurance Regulatory and Development Authority (IRDA). The first elected council (Board of directors) consisting of President, Vice-President, Secretary and Treasurer was formed on 15.12.2007. The Institute has been incorporated to regulate the profession of the surveyors and Loss Assessors through education and training and to promote the profession amongst its members by upgrading their skills and knowledge as also to impart education and training to the aspirant Insurance Surveyors. The Institute presently caters to 8285 members and 460 Student Members across India through four zones and various chapters

### 2. Basis of preparation

The financial statements are prepared under the historical cost convention on accrual basis , in accordance with Indian Generally Accepted Accounting Principles ("GAAP") and mandatory accounting standards as prescribed in the Companies (Accounting Standard) Rules, 2006 the provision of the Companies Act, 1956. Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto is use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

### 3. Significant Accounting Policies

#### i) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent asset and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during reporting period. Examples of such estimates include estimates of expected contract costs to be incurred to complete contracts, provision for doubtful debts, further obligations under employee retirement benefit plans and estimated useful life of fixed assets actual results could differ from these estimates. Any changes in estimates are adjusted prospectively.

#### ii) Revenue Recognition

The Institute follows the Accrual system of accounting for recognizing expenditure and recognizing Subscription Fee and Interest Income on Fixed Deposits with Banks. The amounts collected from the members on application towards Admission fees forms part of corpus Fund and Annual Membership subscription have been accounted as subscription. Amount collected from members towards seminar fees and the related expenses are reported as respective income and expense. Interest earned on earmarked investments (Bank Deposits) are credited directly to the Earmarked Funds.

#### iii) Fixed Assets

Fixed Assets of the Company are stated in the books of account and disclosed in annual accounts at Historical Cost, which includes incidental cost related to acquisition and installation.



#### iv) Depreciation

Depreciation on Fixed Assets is provided under the 'Straight Line Method' on 95% original cost of assets at the rates as derived under Schedule II of the Companies Act, 2013.

#### v) Impairment of Assets

In managements' opinion there had been no impairment in the value of the assets in terms of Accounting Standard-28 and that assets have the value equal to the amount at which they are stated.

#### vi) Recognition of Annual Membership fees Receivables

The Institute recognises annual membership fee receivables from the member till the time the License issued by IRDAI for carrying out the profession of surveyor and loss assessors is valid and inforce i.e at the present the license is valid for a period of 3 years from the date of issuance and thereafter the surveyor and loss assessor is expected to renew the license to continue in the profession.

#### vii) Provisions

The company recognizes a provision when there is a present obligation as a result of a past event and it is probable that it would involve an outflow of resources and a reliable estimate can be made of the amount of such obligation. Such provisions are not discounted to their present value and are determined based on the management's estimation of the obligation required to settle the obligation at the balance sheet date and adjusted to reflect management's current estimates.

#### viii) Taxation

The Institute is not liable to pay income tax on surplus earned out of the main objectives since the institute is being termed as mutual benefit concern. The Institute is liable to pay income tax on the interest income earned during the period out of the deposits made with financial institutions, thus tax is accounted at the rates prevailing for the relevant period

#### 4 - RESERVES & SURPLUS

Particulars	As at March 31, 2016	As at March 31, 2015
<b>a. Corpus Fund</b>		
Opening balance	1,64,95,779	1,23,17,210
(+) Admission Fee Collection in current year	73,41,500	37,45,000
(+) Others	0	433569
Sub Total	2,38,37,279	1,64,95,779
<b>b. Building Fund</b>		
Opening balance	4,77,15,194	2,65,72,531
(+) Funds allocated during the year	75,00,000	1,98,00,000
(+) Interest on the above Funds	43,36,749	29,71,778
(-) Adjustments	12,46,714	16,29,115
Sub total	5,83,05,229	4,77,15,194
<b>c. Training &amp; Education Fund</b>		
Opening balance	3,27,48,752	2,58,46,767
(+) Funds allocated during the year	50,00,000	75,00,000

(+) Interest on the above Funds	29,03,363	24,07,236
(+) Adjustments	4,34,115	-30,05,251
Sub total	4,10,86,230	3,27,48,752
<b>d. Research Fund</b>		
Opening balance	1,60,42,435	1,61,85,185
(+) Funds allocated during the year	25,00,000	-
(+) Interest on the above Funds	15,68,144	13,57,325
(-) Adjustments	1,92,315	15,00,075
Sub total	1,99,18,264	1,60,42,435
<b>e. Surplus</b>		
Opening balance	1,09,97,825	2,84,87,293
(-) Funds Transferred to Specific Fund	1,50,00,000	2,73,00,000
(+) Excess of income over expenses for the current year	54,18,578	95,43,490
(+) Others	9,78,969	2,67,042
Sub Total	23,95,372	1,09,97,825
<b>Closing Balance</b>	<b>14,55,42,374</b>	<b>12,39,99,985</b>
f. Corpus funds represents admission collected and as decreased by funds allocated to earmarked funds		
g. Adjustments in Training and Education fund, Research fund and Building fund pertains to excess credit of interest to the fund account in the previous years on account of incorrect accounting of TDS receivable on interest which is now brought in at par with the fixed deposits earmarked to the funds		
h. Others in Corpus funds in Previous year relates to deposits made to South Zone in the fiscal 2010-11 and 2011-12 of Rs 200000 in each year which is accounted in the previous reporting period based on the audited financial statements received. Further it also includes Rs 33569 held by Goa Chapter in bank account maintained with Karur Vysya bank, these accounts were closed during the respective years and funds remitted to HO.		
i. Others in Surplus relates to adjustments carried out in Building, Training & Education and Research fund as explained above. Further in the previous year others in surplus pertains to TDS receivable of 2008-09, 2009-10 and 2010-11 not accounted in the relevant years		

#### 5 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2016	As at March 31, 2015
Advance Members Subscription Fees	10,93,332	11,19,197
Insurance Liability to Members	10,21,680	10,00,000
Training Liability to Jabalpur	2,20,940	-
<b>Total</b>	<b>23,35,952</b>	<b>21,19,197</b>

a. Insurance Liability to Members pertains to death benefit received from the insurance companies against the claim settlement. Insurance liability to one member has been settled in the month of April 2016 by the institute and for another insurance claim pertaining to late Lakhan singh M. No A/N/04520 could not be settled since the matter of legal heir and nominee is in the court and the judgement has not been pronounced till the signing date. The claim of Rs 500000 received against Late Lakhan Singh thus has been earmarked with a Term deposit with Axis Bank vide no 915040025978547 in June 2015 for 6 Months maturity and subsequently renewed upon expiry of the term. The Interest accrued on such fixed deposit is credited to the Insurance Liability account net of Tax to be paid by the company on the Interest received/accrued on the Fixed deposit

#### 6 - SHORT TERM PROVISIONS

Particulars	As at March 31, 2016	As at March 31, 2015
(a) Audit fee Payable	1,12,500	1,02,764
(b) Liability for Expenses	4,71,211	6,33,926
(c) TDS Payable	18,778	11,236
(d) Other Statutory Liability Payable	600	1,17,608
(e) Provision for Income Tax	53,53,302	79,85,840
<b>Total</b>	<b>59,56,391</b>	<b>88,51,374</b>

f. The Institute had decided that only Reimbursements towards expenses on Speakers at Seminars and Printing related expenses will be reimbursed thus provision created in the previous years has been written back to seminar expenses in the Previous reporting period

g. Liability for expenses included expenses of Rent amounting to Rs 408000, Salary amounting to Rs 129700, Other expenses amounting to Rs 25938 and Other Statutory Liability included expenses of Gratuity amounting to Rs 72000, Municipal tax amounting to Rs 44608 related to Mumbai Office (Earlier Stated as Ahmedabad Office erroneously) when the Institute was centrally located has been written back as the Management ascertained that liability does not exist as at Mar 31, 2016

h. Provision for Income tax includes Interest of Rs 2239805 related to financial year 2008-09, 2009-10, 2010-11 where the income has been assessed under section 148 of the Income Tax Act, 1961

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 7 - FIXED ASSETS

	Fixed Assets	Gross Block					Accumulated Depreciation					Net Block		
		As at April 1, 2015	Additions	Deletions/ Adjustments	Acquired through business combinations	Translation exchange difference	As at March 31st, 2016	As at April 1, 2015	Depreciation charge for the year	Translation exchange difference	Deletions / Adjustments	As at March 31, 2016	As at March 31, 2015	
a	<b>Tangible Assets</b>													
	Furniture and Fixtures	1,83,062	15,000	-	-	-	1,98,062	25,232	19,412	-	-	44,644	1,53,418	1,57,830
	Computers	3,50,530	2,02,550	-	-	-	5,53,080	2,37,730	93,069	-	-	3,30,799	2,22,281	1,12,800
	Office Equipment	1,07,933	6,000	-	-	-	1,13,933	33,332	23,710	-	-	57,042	56,891	74,601
	Electrical Installation	1,45,790	-	-	-	-	1,45,790	28,027	13,985	-	-	42,012	1,03,778	1,17,763
	Other Assets	4,875	-	-	-	-	4,875	4,875	-	-	-	4,875	-	-
	<b>Total</b>	<b>7,92,190</b>	<b>2,23,550</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,15,740</b>	<b>3,29,196</b>	<b>1,50,176</b>	<b>-</b>	<b>-</b>	<b>4,79,372</b>	<b>5,36,368</b>	<b>4,62,994</b>
b	<b>Intangible Assets</b>													
	Software	3,31,111	-	-	-	-	3,31,111	68,454	1,10,370	-	-	1,78,824	1,52,287	2,62,657
	<b>Total</b>	<b>3,31,111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,31,111</b>	<b>68,454</b>	<b>1,10,370</b>	<b>-</b>	<b>-</b>	<b>1,78,824</b>	<b>1,52,287</b>	<b>2,62,657</b>	
c	Intangible Assets under Development	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	<b>Grand Total</b>	<b>11,23,301</b>	<b>2,23,550</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,46,851</b>	<b>3,97,650</b>	<b>2,60,546</b>	<b>-</b>	<b>-</b>	<b>6,58,196</b>	<b>6,88,655</b>	<b>7,25,651</b>
	<b>Grand Total previous year</b>	<b>1,26,100</b>	<b>10,64,526</b>	<b>1,26,100</b>	<b>-</b>	<b>-</b>	<b>10,64,526</b>	<b>39,775</b>	<b>97,065</b>	<b>-</b>	<b>79,550</b>	<b>1,36,840</b>	<b>9,27,686</b>	<b>86,325</b>

d. Other Assets pertains to Assets which are not material and individually valued at Less than Rs 5000, thus they have been depreciated at 100% based on the guidance note issued by the Institute of Chartered Accountants of India

e. During the reporting period the institute has opened Delhi Administrative Office and Computers & IT Equipments to extent of Rs 99200 was purchased for functioning of the office. The Delhi Administrative office is located at the erstwhile IISA Office in Delhi.



## INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

( A Company incorporated under section 25 companies Act.1956 )

Head Office:-315,Paras Chambers,D.No.-3-5-890,HimayatNagar, Hyderabad-500029(TS)

e-mail : iiisla.ad2013@gmail.com, admin@iiisla.co.in, Web-site : www.iiisla.co.in.,

**Telephone Numbers: 040- 66253666, 040-23261072, 040-23261073**

### NOTES FORMING PART OF FINANCIAL STATEMENTS

#### 8 - OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Unsecured, considered good</b>		
Rent Deposit	1,65,000	1,65,000
<b>Total</b>	<b>1,65,000</b>	<b>1,65,000</b>

#### 9 - CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2016	As at March 31, 2015
<b>(a) Balances with banks</b>		
In Savings Accounts	8619012	4289779
In Fixed deposits	18722883	22571294
In Earmarked Fixed deposits (Does not include Accrued Interest)	115041784	87300000
<b>(b) Cash on hand</b>	64601	34193
<b>(c) Cheques in Hand</b>	0	72938
<b>Total</b>	<b>142448280</b>	<b>114268204</b>

d) Saving account includes balances held with banks of Chapters/Zonal Offices. Three Chapter Offices namely Tamil Nadu, Madhya Pradesh and Gujarat Offices do not have any Bank Accounts and Rest of 24 Chapter/Zonal offices have been maintaining Bank accounts from the Current reporting period

e) Cheques is hand in previous year pertains to demand draft of Rs 72938 dt 08/12/2014 received by South Zone chairman from Punjab National Bank on account of closure of bank account maintained with them and operated by South Zone. The instrument could not be presented by the head office since the drawee name mentioned was not a valid name for honoring the instrument. The instrument was in stale state until Mar 31, 2015 however new instrument was received credited to the bank account in February 2016.

f) Earmarked Deposits include the below mentioned

Particulars	As at March 31, 2016	As at March 31, 2015
<b>i. Towards Building Fund held with</b>		
State Bank of Hyderabad FD No - 62283347437	8810126	7500000
State Bank of Hyderabad FD No - 62283347878	8810126	7500000
Canara Bank FD No.3327401001279/2	10732478	9900000
Vijaya Bank FD No. 404603311002257*	0	9900000
Vijaya Bank FD No. 404603311002684*	9900000	0
Vijaya Bank FD No. 404603311002685*	831149	0
Central Bank of India FD No - 3330396721	9068879	8000000
Axis Bank FD No - 915040036304108	5000000	0
Bank of India FD No - 564745110001027	2720902	0
<b>Sub Total (I)</b>	<b>55873660</b>	<b>42800000</b>
Interest Accrued on the Above Deposits	2431570	3771689
<b>Total Earmarked Deposits of Building Fund</b>	<b>58305230</b>	<b>46571689</b>

<b>ii) Towards Training and Education Fund held with</b>		
State Bank of Hyderabad FD No - 62314716620	5903365	5000000
State Bank of Hyderabad FD No - 62314717341*	0	10000000
State Bank of Hyderabad FD No - 62445446254*	5000000	0
State Bank of Hyderabad FD No - 62445446049*	6744921	0

**INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS**

(A Company Incorporated under Section 25 of Companies Act, 1956)

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Vijaya Bank FD No.404603311002311	8126119	7500000
Central Bank of India FD No - 3330396426	9068879	8000000
Axis Bank FD No - 915040036304687	5000000	0
Sub Total (II)	39843284	30500000
Interest Accrued on the Above Deposits	1242947	2682867
<b>Total Earmarked Deposits of Education Training Fund</b>	<b>41086231</b>	<b>33182867</b>
<b>iii. Towards Research Fund held with</b>		
State bank of Hyderabad FD No - 62290036033	2943062	2500000
Axis Bank FD No - 913040030694722	6091427	5000000
Axis Bank FD No - 913040030693855	3045713	2500000
Central Bank of India FD No - 3330396426	4534438	4000000
Canara Bank FD No - 3327401001279/1	2710200	0
Sub Total (III)	19324840	14000000
Interest Accrued on the Above Deposits	593426	1167209
<b>Total Earmarked Deposits of Research Fund</b>	<b>19918266</b>	<b>15167209</b>
<b>Total (I+II+III)</b>	<b>119309727</b>	<b>94921765</b>

g. Note \* - Fixed Deposits matured during the reporting period have been renewed with a New Fixed Deposit Account Number. The New Fixed Deposit Account Number is also mapped to the respective fund to which the original fixed deposit was mapped to. The New Fixed Deposit Accounts Numbers are also given below the original fixed deposits.

**10 - SHORT TERM LOANS & ADVANCES**

Particulars	As at March 31, 2016	As at March 31, 2015
<b>a. Unsecured, Considered good</b>		
Loans & Advances to related parties	272237	272237
Loans & Advances to Zones/Chapters	57950	773812
Other Loans & Advances	0	0
Total	330187	1046049

b. Loans & advances to related parties pertains to past directors of the Institute namely Mr .Iqbal Tadha and Santosh Sarkar to the tune of Rs 272237. Funds paid to or vested with the past directors in the previous accounting periods with respect to which details have not yet been furnished or received or where details have not been made available in spite of requests by the administration, have been recorded as receivables.

c. In the absence of details and expense vouchers, advances given to Tamil Nadu & Madhya Pradesh Chapter has not been charged to income and expenditure statement and carried as advances

**11 - OTHER CURRENT ASSETS**

Particulars	As at March 31, 2016	As at March 31, 2015
Interest Accrued on fixed deposits	45,81,623	79,70,908
Advance for Purchase of Software	2,01,000	-
Receivable from members towards Subscription	42,94,245	1,02,85,245
Prepaid Insurance (GPA Policy)	11,25,727	5,09,500
<b>Total</b>	<b>1,02,02,595</b>	<b>1,87,65,653</b>

a. The Institute has paid an Advance to Agile Avenues Pvt Ltd towards purchase of Software for updating the members records with technological features including a mobile app. The Advance is adjustable against the purchase of software which is in the process of implementation in the Fiscal 16-17.

**12 - REVENUE FROM OPERATIONS**

Particulars	2015-16	2014-15
Subscription Fee	1,36,18,500	15328817
Seminar fee	3,12,50,824	1461394
Students Members Enrolment fee	6,64,025	336000
Re-admission fees	-	925000
<b>Total</b>	<b>4,55,33,349</b>	<b>1,80,51,211</b>

a. The Subscription fee of Previous reporting period includes Rs 3620317 (Previous year Rs 8299458) pertaining to prior periods and not recognised in books since Member's Register/Record were not in updated status prior to the reporting period.

b. Re-admission fees recognised in the Previous reporting period is in the nature of penalty, hence they have been treated as revenue receipt.

**13 - OTHER INCOME**

Particulars	2015-16	2014-15
<b>Interest Income</b>		
Interest from bank deposits	1,13,78,804	91,61,774
Other income from Members	2,32,500	1,19,764
Income tax Refund	7,790	-
Other Income	6,94,726	-
<b>Sub total</b>	<b>1,23,13,820</b>	<b>92,81,538</b>
Less: Interest on Earmarked investment transferred to corpus fund	88,29,936	67,36,339
Add: Adjustments (Refer Note 4 (g))	-	61,34,441
<b>Total</b>	<b>34,83,884</b>	<b>8679640</b>

**Details of Interest Income**

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Union Bank Of India	-	18565
Central Bank of India	34,79,852	3413311
Canara Bank	10,94,060	450222
Vijaya Bank	16,91,043	550753
Axis Bank	13,57,244	726130
Syndicate Bank	-	212566
Bank of India	2,26,826	103209
State Bank of Hyderabad	32,92,953	3186308
Interest on savings bank account	2,36,826	500710
<b>Total</b>	<b>1,13,78,804</b>	<b>91,61,774</b>

**14 - EMPLOYEE BENEFIT EXPENSE**

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
Salaries and incentives	18,63,128	2081639
Staff Welfare	25,457	26981
<b>Total</b>	<b>18,88,585</b>	<b>2108620</b>

**15 - OPERATION & OTHER EXPENSES**

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
Administrative Office Rent	5,19,390	475632
	48,894	
Repairs & Maintenance - Office Equipments		40,777
	1,10,764	
Repairs & Maintenance - Office		1,12,742
	5,680	
Rates & Taxes		70
News Papers & Periodics	1,780	1800
Workshops, Seminars & Training Expenses	3,00,45,234	758805
Insurance Premium for members PA Group	17,13,085	1055969
Insurance		
Telephone & Communication Expenses	1,45,075	41523
Travelling Expenses	21,35,380	278930
Election Expenses (Zonal & Chapter Elections-2014)	1,100	790033
Electricity Expenses	84,737	86848
AGM Expenses	4,54,126	598148
Council Meeting expenses	7,26,239	0
Legal Exp	97,100	32950
Postage & Courier	1,83,324	115299
Printing & Stationery	6,51,902	156492
Professional Charges	5,94,602	326796
Conveyance	45,832	29860
Interest on Tds	3,388	791
<b>Payments to the auditor as</b>		
auditor	1,25,000	94014
for tax matters	51,300	30000
for Certification fee,	-	45000
Reimbursement of Expenses	-	0
<b>Total</b>	<b>3,77,43,932</b>	<b>50,72,479</b>



a. Printing & Stationery Expenses Include Rs 1.59 Lakhs paid towards Digitization of Members records exercise undertaken during the reporting period

b. The above expenses include prior period expenses as mentioned below. These prior period expenses were incorporated from the chapters accounts received from them during the reporting period.

Particulars	2015-16	2014-15
Seminar Expenses	0	384110
Election expenses of South Zone	1100	17338
Travelling Expenses	47500	13984
Printing & Stationery	0	8273
Salaries	0	15000
Professional fees	0	11273
Council Meet Expenses	33598	0
Bank charges	-	10394
<b>Total</b>	<b>82,198</b>	<b>4,60,372</b>

#### 16 - FINANCE COSTS

Particulars	2015-16	2014-15
Bank Charges	9,124	20,263
<b>Total</b>	<b>9,124</b>	<b>20,263</b>

17. Previous Year's figures are regrouped & rearranged so as to make them comparable with that of the current year where ever considered necessary and relevant.

18. The Management has consulted experts and has been advised that as it has been registered as a Company for promotion of Education and Training (otherwise than conduct of business for profit) under (Section 25 of the Companies Act, 1956), it would be treated as a Mutual Organisation and will not be liable to tax on annual subscriptions collected from members, so far as it pursues it's main objectives. It would however, need to tender tax on the earning of interest. Accordingly, a provision for tax has been made in the accounts only on interest earnings for the year.

19. The Zones, Chapters and Units were served with notices to submit accounts for the monies entrusted to them for the purposes of the activities of Institute or collected by them on behalf of the Institute. The Chapters/Zones have submitted the copies of the bank statements and Income & Expenditure statements. The Income & Expenditure statements of all the chapters has been considered on the photocopies of the statements and supportings submitted. Further Income & Expenditure submitted by Gujarat Chapter Includes Rs 621868 deficit incurred by the Chapter towards Seminar Expenses however as explained Chapter has settled the matter at their level accordingly there is no liability on account of IISLA.

20. Exceptional item in the previous year pertains to the provision for income tax on interest income for year 2007-08, 2008-09, 2009-10 (Corresponding to Assessment Years 2008-09, 2009-10, 2010-11 and 2011-12). The tax liability provided include the interest for the Assessment Years 2008-09, 2009-10 and 2010-11 as the assessment orders has been received by the Institute. Similarly it is expected that the tax department authorities might re-open the return for the assessment year 2011-12 and thereby there will be interest on such income tax amounting to Rs 5,50,000 approximately. The Interest for the Assessment year 2011-12 may be a Contingent Liability in nature.

21. The accounts for the period until 30.06.2012 were drawn up based on records and documents as had been recovered by the IRDA and possessed by the Institute from the IRDA basing on the directives of Hon. High Court,Ahmedabad on 24.07.2012. Many of the vouchers were found to be short of appropriate recording or supports. Many payments traced from bank statements retrieved by the administration from the Institutes bankers, had been effected by the then management without appropriate supporting bills, invoice and vouchers. These payments and expenses have been accounted on a presumptive basis, based on the identification and analysis of the nature of such payments or the entities to whom the payments had been effected. Accordingly, some errors and omissions may have crept into accounts of the previous years resulting in cummulative impact on financial figures as at the current year end as a consequence of absence of or on account of inadequacy of vouchers, bills, invoices or other supporting data for the years 10-11,11-12 and 12-13.

**As per our report of even date attached to the Balance Sheet**

**for SHARAD & ASSOCIATES  
Chartered Accountants  
Firm reg.No. 006377S**

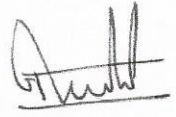
**For and on behalf of the Board**



**SHARAD SINHA  
Partner**



**President**

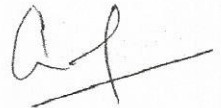


**Vice President**

**M. No .202692  
Hyderabad, dated this 2nd day of  
December 2016**



**Secretary**



**Treasurer**