

Annual Report & Accounts 2017-18



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

Reg. Office: #315, Paras Chamber, D.No.-3-5-890, Himayatnagar, Hyderabad-500029(T.S)



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

NOTICE OF THE 10TH ANNUAL GENERAL MEETING

CIN: U80902TG2005NPL047675

Notice is hereby given that the 10TH ANNUAL GENERAL MEETING of **INDIAN INSTITUTE OF INSURANCE SURVEYORS & LOSS ASSESSORS** will be held on Monday the 24th Day of December 2018 at 11.00 a.m at Best Western Ashoka, 6-1-70, Lakdikapul, Hyderabad, Telanagana-500004 transact the following business:

ORDINARY BUSINESS

Item No.1:

Adoption Audited Accounts and Report of Auditors and Directors

To receive, consider and adopt the Audited Balance Sheet , Statement of Income & Expenditure and Cash Flow Statement for the year ended 31st March, 2018 as at that date and the Director's and Auditors report thereon.

Item No. 2. Ratification of appointment of auditors

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 the Sixth AGM until the conclusion of the eleventh Annual General Meeting (AGM) of the Institute, 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.



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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SPECIAL BUSINESS

Item No.3:

Amendment to Articles of Association

To consider and if thought fit, to pass the following resolution, with or without modifications, if any, as special resolution:

“**RESOLVED THAT** in accordance with the provisions of applicable law, including Section 14 of the Companies Act, 2013 and the rules made there under and amended from time to time and subject to the approval of Insurance Regulatory and Development Authority of India (IRDAI), approval of the members of the Institute be and is hereby accorded, by way of special resolution, to adopt the understated clauses of Articles of Association of the Institute and is placed before the meeting (which be and is hereby specifically approved), in substitution of the relevant clauses and or additional of new clauses to the existing articles of association of the Institute as stated hereunder:

Existing Article No.	Existing Clause	Amended Clause
43	The business of the Institute including its money and properties shall be managed by the Council which may exercise all such powers of the Institute as are not by the Act or by these Articles required to be exercised by the Institute in general meeting, subject nevertheless to any provision of these Articles, to the provisions of the Act, and to such regulation, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Institute in general meetings; but no regulation made by the Institute in general meeting shall invalidate any prior act of the Council which would have been valid if that regulation had not been made. The	The business of the Institute including its money and properties shall be managed by the Council which may exercise all such powers of the Institute as are not by the Act or by these Articles required to be exercised by the Institute in general meeting, subject nevertheless to any provision of these Articles, to the provisions of the Act, and to such regulation, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Institute in general meetings; but no regulation made by the Institute in general meeting shall invalidate any prior act of the Council which would have been valid if that regulation had not been made. The Council or any of its members shall not on behalf of the Institute, acquire any interest in land



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

	<p>Council or any of its members shall not on behalf of the Institute, acquire any interest in land (including premises), erect, construct, demolish, reconstruct, develop, lease, let out, charge, mortgage, dispose of or otherwise deal with all or any part of the property of the Institute, borrow or raise or give security for any money by whatever means unless approved by the members in general meeting</p>	<p>(including premises), erect, construct, demolish, reconstruct, develop, lease, let out, charge, mortgage, dispose of or otherwise deal with all or any part of the property of the Institute, borrow or raise or give security for any money by whatever means unless approved by the members in general meeting.</p> <p>Notwithstanding anything mentioned above the Council shall have power to acquire any interest in land (including premises), erect, construct, demolish, reconstruct, develop, take on lease all or any part of the property for the purpose of establishment of national and Zonal training centres at Zonal head office area.</p>
49	<p>The election of the council shall be held every year as follows:</p>	<p>The election of the council shall be held every year either by way of physical and / or postal and / or electronic means in accordance with the applicable provisions of the Companies Act as follows:</p>
60	<p>A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Institute in general meeting shall not less than twenty one (21) days before the date of the meeting be sent to all persons entitled to receive notices of general meetings of the Institute.</p>	<p>A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Institute in general meeting shall not less than fourteen (14) days before the date of the meeting be sent to all persons entitled to receive notices of general meetings of the Institute.</p>

Item No.4:

TO CONSIDER AND FORM A COMMITTEE TO INITIATE TRANSFER OF ALL THE PROPERTIES OF INSTITUTE OF INSURANCE SURVEYORS AND ADJUSTERS (IISA) TO THE INSTITUTE

To consider and if thought fit, to pass the following resolution, with or without modifications, if any, as Ordinary resolution:

“**RESOLVED THAT** in accordance with the provisions of applicable laws and subject to such other approvals as may be required approval of the members of the Institute be and is hereby accorded to constitute a committee of the Institute for the purpose of initiating transfer of



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

properties and assets (movable and immovable) of Insurance Surveyors and Adjusters (IISA) to the Institute.”

“**RESOLVED FURTHER THAT** the committee so formed shall be the permanent committee and shall act independently of the Council and other committees and shall do all such acts, deeds and things as may be necessary and incidental to give effect to the resolution.”

Item No.5:

TO CONSIDER AND APPROVE HOLDING OF ANNUAL GENERAL MEETINGS ONLY WITHIN THE JURISDCITION OF THE PLACE WHERE REGISTERED OFFICE OF THE COMPANY IS SITAUTED

To consider and if thought fit, to pass the following resolution, with or without modifications, if any, as Ordinary resolution:

“**RESOLVED THAT** consent of the members be and is hereby accorded to hold Annual General Meetings of the Institute only at a place falling within the jurisdiction of the place where the registered office of the Company is situated i.e., Hyderabad and the Council be and is hereby authorized to do all such acts, deeds and things as may be necessary and incidental to give effect to the resolution.”

Item No.6:

TO CONSIDER AND AUTHORISE COUNCIL FOR APPOINTMENT OF AUDITORS FOR CONDUCTING AUDIT OF CHAPTERS (BRANCHES) AND ZONAL OFFICES OF THE INSTITUTE FOR THE FINANCIAL YEAR 2018-19 AND TO FIX THEIR REMUNERATION .

To consider and if thought fit, to pass the following resolution, with or without modifications, if any, as Ordinary resolution:

“**RESOLVED THAT** in accordance with the provisions of applicable laws and subject to such other approvals as may be required approval of the members of the Institute be and is hereby accorded for appointment of Auditors for Conducting Audit of Chapters (Branches) and Zonal offices of the Institute for the Financial Year 2018-19 and to fix their remuneration.”



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

“RESOLVED FURTHER THAT the Council be and is hereby authorized to do all such acts, deeds and things as may be necessary and incidental to give effect to the resolution.”

BY ORDER OF THE BOARD

Sd/-

Tanmoy Sarkar
DIRECTOR & SECRETARY TO THE COUNCIL

DIN:07108268

Hyderabad, dated this

2nd day of December, 2018



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

NOTES:

1. Explanatory statement is appended herewith
2. None of the Directors are interested in these Resolutions.
3. In terms of the requirements of the Secretarial Standards -2 on "General Meetings" issued by the Institute of the Company Secretaries of India and approved & notified by the Central Government, Route Map for the location of the aforesaid meeting will be put up on the Institute's web site.

Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 in respect of the business above:

SPECIAL BUSINESS

ITEM NO.3

Your Board of Directors proposes to alter Article 43 of the Articles of Association of the Company to allow and authorize the Council to acquire any interest in land (including premises), erect, construct, demolish, reconstruct, develop, take on lease all or any part of the property for the purpose of establishment of national and zonal training centres at Zonal head office area.

Your Board of Directors also proposes to alter Article 49 of the Articles of Association of the Company to enable the Company to conduct elections of the council by way of physical and / or postal and / or electronic means.

Further it is also proposed to alter Article 60 of the Articles of Association of the Company where by Company can circulate the copy of balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Institute in general meeting not less than fourteen (14) days before the date of the meeting by sending the same to all persons entitled to receive notices of general meetings of the Institute. Even section 136 of the Companies Act, 2013 allows a company registered under section 8 of the Companies Act, 2013 (erstwhile section 25 of the Companies Act, 1956) to circulate a copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a company in its general meeting, to every member of the Company and other persons entitled thereto, not less than Fourteen days before the date of the meeting



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

Hence your Board proposes the resolution as special resolution in the best interest of the Company.

None of the Directors, relatives of Directors or Key Managerial personnel are interested in the above resolution except as members of the Company.

ITEM NO.4

Your Board of Directors proposes to constitute a committee of the Institute for the purpose of initiating transfer of properties and assets (movable and immovable) of Insurance Surveyors and Adjusters (IISA) to the Institute which are situated throughout the country which will be in the overall interest of the members and the Institute.

Hence your Board proposes the resolution as special resolution in the best interest of the Company.

None of the Directors, relatives of Directors or Key Managerial personnel are interested in the above resolution except as members of the Company.

ITEM NO.5

Your Board of Directors proposes to hold annual general meetings of the institute of the Company only at a place falling within the jurisdiction of the place where the registered office of the Company is situated i.e., Hyderabad in order to facilitate easy and wider participation of the members and to ensure the uniformity about the place where the Annual General Meetings are to be held.

Hence your Board proposes the resolution as special resolution in the best interest of the Company.

None of the Directors, relatives of Directors or Key Managerial personnel are interested in the above resolution except as members of the Company.



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

ITEM NO.6

Your Board of Directors proposes for appointment of auditors for conducting Audit of Chapter (Branches) offices and zonal offices of the Institute for the Financial Year 2018-19 and to fix their remuneration for ensuring transparency.

Hence your Board proposes the resolution as special resolution in the best interest of the Company. None of the Directors, relatives of Directors or Key Managerial personnel are interested in the above resolution except as members of the Company.

BY ORDER OF THE BOARD

Sd/-

Tanmoy Sarkar
DIRECTOR & SECRETARY TO THE COUNCIL

DIN: 07108268

Hyderabad, dated this

2nd day of December, 2018

BOARD REPORT
CIN: U80902TG2005NPL047675

To the Members,

Your Directors have pleasure in submitting their Annual Report of the Company [Institute] together with the Audited Statements of Accounts for the year ended 31st March, 2018

1. FINANCIAL RESULTS

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

Particulars	For the Year ended March 2018	For the Year ended March 2017
Revenue From Operations	21678815	48355647
Other Income	2306455	1878459
Total Income	23985270	50234106
Less: Interest	0	0
Profit before Depreciation	7934727	19857900
Less Depreciation	132005	302590
Profit after Interest and Depreciation	7802722	19262355
Less Current Income Tax(including Deferred Tax)	941753	3974070
Net Profit/(loss) after Tax	(16407186)	15288285
Transferred to General Reserve	0	0
Balance carried to Balance Sheet	(16407186)	15288285

2. DIVIDEND

It being not-for-profit Institute, 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 in any of the past year(s).

4. REVIEW OF OPERATIONS AND FUTURE PROSPECTS

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

Benevolent Fund Scheme was operational during the financial year under review and total 16 claims against the death of members were settled.

During the year your Board of Directors at their meeting held on 09 March, 2018 decided that the Benevolent Fund Scheme as introduced for the members will be optional and not compulsory as decided earlier on account of objections raised by few members before the institute and also the Hon'ble court.

There were long pendency in the process of upgradation of memberships and also for admission of new membership which was addressed by the council and almost all the pending cases were closed before the end of the financial year.

Retirements and Transfers:

In terms of power conferred under Articles of Association, IRDAI has nominated Shri Suresh Mathur, as IRDAI nominee and Ms. Bhumika Verma, as nominee of MoF.

Operations:

A total of 274 new memberships and 343 student memberships were issued in the year and 98 members have been upgraded from Associate members to Fellow members and 13 members have been upgraded from Licentiate to Associate. The list of activities with regard to operations is as below.

Membership Details up to the year 2017-18				
Description	Licentiate	Associate	Fellow	Total
Total Members as on 31.03.2017	1519	4628	2797	8944
New Members added during the year(Add)	268	6	0	274
Members upgraded to Fellow in 2017-18	0	-98	98	0
Members upgraded to Associate in 2017-18	-13	13	0	0
Members Degraded from Fellow to Associate in 2017-18	-	1	-1	0
Members Degraded from Associate to Licentiate in 2017-18	0	0	-	0
Members Degraded from Fellow to Licentiate in 2017-18	0	-	0	0
Total Members as on 31.03.2018	1774	4550	2894	9218
Exits (Expired/discontinued/retired members)	-	-	-	-244
Total Active Members	-	-	-	8974

Student Membership Details	
No. of Student Members granted as on 31-03-2018	343

Members Welfare:

The Group Personal Accident policy has renewed in the month of September, 2017 covering more members with maximum allowable discount in premium from New India Assurance Co, Faridabad for a Sum Assured of Rs. 20,00,000.00 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.

An conclave was held at Faridabad on 20th day of April, 2017 where in Mr. Arjun Ram Meghwal, Hon'ble Minister of state, Ministry of Finance was present as Chief Guest and discussions w.r.t obtaining Charter Status for the institute was made and Chief Guest was convinced with the proposal and logic provided and assured his best possible help in this regard.

An independent auditor was appointed by IRDAI for conducting special audit from the financial years 2014-15 to 2017-18 and Council welcomed the move and co-operated in all respects for its conclusion.

Few members of the Institute brought to the knowledge of the Council that few banks accounts are being maintained / previously maintained in the name of the Institute which are not appearing in the financial statements of the Institute. Upon becoming aware of the same Council took initiative to verify the same and the same is under process as on date.

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. Also mails were sent to members to provide necessary information.

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.

Details of the Training sessions conducted by IISLA - Financial year-2017-18					
S.no.	Session on Department	Date of Session	No. of days	Conducted at	Conducted by Chapter
1	Motor & Misc	08-04-2017 to 09-04-2017	Two Days	New Digha	West Bengal
2	Motor & Misc	22-04-2017 to 23-04-2017	Two Days	Vadodara	Gujarat
3	Motor	17-06-2017 to 18-06-2017	Two Days	Chennai	Tamil Nadu
4	Motor	09-09-2017 to 11-09-2017	Three Days	Durg	Chhattisgarh
5	Motor, Fire & Misc	12-10-2017 to 14-10-2017	Three Days	Shimla	Himachal Pradesh
6	Motor	27-10-2017 to 29-10-2017	Three Days	Pune	Maharashtra
7	Motor & Fire	25-11-2017 to 26-11-2017	Two Days	Nagpur	Maharashtra
8	Motor	12-01-2018	One Day	Alwar	Rajasthan
9	Motor	19-01-2018	One Day	Alwar	Rajasthan
10	Motor & Engg	26-01-2018 to 28-01-2018	Three Days	Katni	Madhya Pradesh

Council during the financial year under review has initiated dialogue with various reputed professional national and international bodies as well as institutes for uplifting of training procedures.

Council has also initiated dialogue with the various reputed Software vendors to develop the IT system of the Institute.

IISLA after in detailed study of the EOI made by PSU with respect to insurance claims below the no survey limit observed that it will have long term negative impact on the surveyor profession itself and thus made representations through dialogue and legal means against initiation of such EOIs.

Following Chapters have not submitted annual Chapter and/or Seminar related Accounts to IISLA Head Office for incorporation of the transactions in the HO books:

Sr.No	CHAPTER NAME	Accounts Received (Complete Set of Income & Expenditure, Bills, Cash Transactions) (YES Or NO)	Income & Expenditure Sheet (YES Or NO)	Bills Enclosed (YES Or NO)	Whether audited or not
1	North Zone	No	No	No	No
2	West Zone	No	No	No	No
3	NCR Chapter	No	No	No	No
4	Himachal Pradesh Chapter	No	No	No	No
5	Uttarakhand Chapter	No	No	No	No
6	Maharashtra Chapter	No	No	No Bills available for One seminar	No

Statutory Demand Notices

Due to Non-registration/payment of service tax, the Service Tax Department has initiated action against the Institute and after the Balance Sheet date, a demand of Rs.2.35 Crores was imposed on the Institute. However the issue is still under process.

Due to Non-compliance of rules of ESI, the ESI Department has initiated action against Institute and after the Balance Sheet date, a demand of Rs.2,79,648/- was imposed on the Institute. However the issue is still under process.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE INSTITUTE 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 Institute occurred between the end of the financial year to which these financial statements relate and until the date of this report.

However the following material and significant steps were taken by the Council between the end of the financial year to which these financial statements relate and until the date of this report:

- 1) Successfully launching of ERP software and Mobile App.
- 2) Facilitating payment of membership subscription, renewal fees and training fees through online payment gateway
- 3) Initiatives to ensure that payment to all the vendors and other payees shall be made online to avoid any issues associated with payments through cheques etc
- 4) The Group Personal Accident (GPA) policy for members had been renewed enhancing the Sum assured and also with additional benefits for members.
- 5) Conducting of joint seminars in association with Insurance Institute of India (III) and BIMTECH
- 6) Constitution of various committees and sub committees to delegate the works of Council so that Council can concentrate on bigger issues in the overall interest, betterment and growth of the institute.
- 7) Recruitment of staff at various level as per the requirements to ensure smooth functioning of the Institute.

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 Institute. 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 INSTITUTE

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

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

The Institute 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 were no loans, guarantees or investments made by the Institute 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 INSTITUTE SECRETARY IN THEIR REPORTS

The provisions relating to submission of Secretarial Audit Report in not applicable to the Institute. The explanations /comments made by the Board relating to the qualifications, reservations or adverse remarks made by the Auditors in their report are furnished hereunder:

S.NO	AUDITOR'S REMARKS	MANAGEMENT REPLY
1	We draw attention to Note No. 10(f) where it is mentioned that the balance with banks in savings accounts includes ICICI bank, Ahmedabad and no balance confirmation was obtained from the bank. Furthermore, balance confirmation to the tune of Rs. 171314/- as reported under Note 10(g) held at various branches was also not received. Accordingly the effect of this non confirmation of bank and cash balances on the Assets, Liabilities and deficit, if any could not be ascertained.	Comments are noted and necessary action will be taken separately after going through all details.

2	<p>We draw attention to Note 12(b) of Notes forming part of financial statements where there is a receivable from Mr. Iqbal Tada amounting to Rs 209853, Mr Santosh Sarkar amounting to Rs 62384 and Mr. Lalit Gupta amounting to Rs 526921 however the amount receivables have been outstanding and there were no efforts available on records of the company to recover the amount and certainty of the receivable and no provision was made against such receivables. The impact of such outstanding on the Assets and consequential effect on the Assets and deficit, if any, could not be ascertained.</p>	<p>The comments are noted and separated action will be initiated after going through all necessary documents.</p>
3	<p>We draw attention to Note 12(c) of Notes forming part of financial statements where in the absence of details and expense vouchers, advances given to Chapters/Zones has not been charged to Statement of Income and Expenditure statement and carried as advances and they have been long outstanding for several years. The impact of such long outstanding on the Assets and consequential effect on the Assets and deficit, if any, could not be ascertained.</p>	<p>Comments noted and need to be informed that some action had already been initiated and efforts will be made to conclude the process.</p>
4	<p>We draw attention to Note No 12(d) of the Notes forming part of the financial statements where it is stated that penalties for non-submission of accounts of chapter/zonal offices of</p>	<p>Comments noted and necessary investigation will be done and corrective action will be taken.</p>

	<p>previous years 2015-16 and 2016-17 have been debited to the chapters account with respect to previous years. In our opinion the institute has not complied with the provisions of Section 128 of the Companies Act, 2013 for keeping the books account for minimum number of years mentioned therein</p>	
5	<p>We draw attention to Legal Expenses Rs.411000/-under Note 17 with respect to which management has not provided as adequate details of the litigations involved and their relevance to the affairs of the Institute. Accordingly the impact of this cost on the deficit for the year could not be ascertained.</p>	<p>Comments noted and necessary investigation will be done and corrective action will be taken.</p>
6	<p>We draw attention to Note 20 wherein 3 bank accounts have been identified during the year as being operated in the name of the Institute and in the opinion of the Council the same is not under its delegated authority and accordingly transaction undertaken under these banking accounts have not been incorporated in the books of accounts and thus do not form part of the financial statements under report. The impact of non recording of these transactions on the Assets, Liabilities and deficit could not be ascertained.</p>	<p>Investigation had already been initiated on the unaccounted banks account that has come to the notice of the Central Council. All efforts will be made to conclude at the earliest.</p>
7	<p>We draw attention to Note No. 26 where it is stated that the accounts till 30.06.2012 were drawn up based on records and documents as had been</p>	<p>Comments noted.</p>

	<p>recovered by the IRDAI and possessed by the Institute from the IRDA basing on the directives of Hon. High Court, Ahmedabad on 24.07.2012. The transactions and events have cumulative impact on the financials figures of the reporting period and impact of which on the Assets, Liabilities and deficit could not be ascertained.</p>	
8	<p>We draw attention to Note No.23 of Notes forming part of financial statements where it is mentioned that the few Chapters/Zones have not submitted the accounts and /or Seminar Income & Expenditure Statement for the year 2017-18.As per the decision taken by the board in its meeting held on 18.08.2018, all payments made by such chapters during the year as evidenced from respective bank statements have been charged to the Debit of the Chapter Office as recoverable with provision for expenditure being created against such payments. Accordingly Current Assets have been overstated and charge on account of Seminar Expenses to the deficit for the year has been understated by Rs. 8.19 Lacs.</p>	<p>Corrective actions already initiated to streamline all account related issues.</p>
9	<p>Accounts of branches (Chapters and Zones) for the reporting period are not audited as audit reports from branch an auditor in accordance with Section 143(8) of the Act has not been received for the year under audit. Further, as verified by us Seminar expenses to the</p>	<p>Corrective actions already initiated to streamline all account related issues.</p>

	extent of Rs.603945/- were un supported as verified from the returns received from such Chapters and Zones. Accordingly, Seminar expenses and deficit for the year to the extent of Rs.603945 has been overstated.	
10	During the year with effect from July 1, 2017 Goods and Service Tax (GST) Act has been enacted and the institute is liable to collect GST from the all the receipts from its members. The Institute has raised a demand for all its existing members who have paid post enactment of GST Law however the liability has not been created in the books of accounts therefore no GST has been paid for such demand raised. Such non-compliances of GST Act leads to levy of interest and penalties. The Impact of non-compliances on the financial statements could not be ascertained.	Necessary action had already been initiated with all concerned authorities.

Further there was no fraud reported by the statutory auditors of the company as per section 143(12) to the management of the company.

12. INSTITUTE'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 Institute and hence the Institute 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 Board of Directors met Seven (7) times on 19/04/2017, 20/04/2017, 09/05/2017, 28/08/2017, 06/11/2017, 29/12/2017 and 09/03/2018 during the Financial Year 2017-18.

The names of the Directors on the Board, their attendance at Board Meetings held during the year is given below.

Name of the Directors	Date of Board Meetings							Total Meetings Attended
	19/04/2017	20/04/2017	09/05/2017	28/08/2017	06/11/2017	29/12/2017	09/03/2018	
Mr. B Shivaprakash	YES	YES	YES	YES	YES	YES	Yes	7
Mr. Lalit Gupta	Yes	Yes	Yes	Yes	-*	NO	NA	4
Mr. Mohinder Kumar Sharma	YES	YES	YES	YES	NO	NO	Yes	5
Mr. Tanmoy Sarkar	YES	YES	YES	YES	YES	YES	Yes	7
Mr. Naishad Desai	YES	YES	YES	YES	YES	NO	Yes	6
Ms. Bhumika Verma	NA	NA	NA	NA	NO	NO	Yes	1
Mr. Suresh Mathur	NA	NA	NA	NA	NO	NO	Yes	1

Mr. R Chandrasekaran	NO	NO	NO	NO	NO	NO	Yes	1
Mr. J.C. Joshi	NO	NO	NO	NO	YES	NO	NA	1
Mr. Love Patel	YES	YES	NO	NO	YES	YES	NA	4
Mr. Ashwini Agarwal	YES	YES	YES	YES	NO	NO	NA	4
Mr. N. Srinivas Rao	NO	NO	YES**	NO	NA	NA	NA	1
Mr. Ramana Rao	NO	NO	NO	NO	NA	NA	NA	NIL

*Mr. Lalit Gupta was disqualified as being the Director of the Company in accordance with the provisions of Section 164(2) of the Companies Act, 2013.

** Mr. Arun Kumar Mishra Representative MOF as attended the meeting on behalf of Mr. N. Srinivas Rao

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 Institute at the end of the financial year and of the profit and loss of the Institute 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 Institute 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 Institute, had laid down internal financial controls to be followed by the Institute and that such internal financial controls are adequate and were operating effectively. - Not applicable to Private Limited Institute. Internal financial control means the policies and procedures adopted by the Institute for ensuring the orderly and efficient conduct of its business including adherence to Institute'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 Institute does not have any Subsidiary, Joint venture or Associate Institute.

17. DEPOSITS

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

18. DIRECTORS

Shri Lalit Gupta, Shri Ashwani Kumar Aggarwal, Shri Jagdish Chandra Joshi and Shri Love Patel, retired as Directors of the Institute during the year under review.

In terms of power conferred under Articles of Association, IRDAI has nominated Shri Suresh Mathur, as IRDAI nominee in place of Shri Ramana Rao Addanki and Ms. Bhumika Verma, as nominee of MoF in place of Shri. Srinivasa Rao Nagarjuna.

19. DECLARATION OF INDEPENDENT DIRECTORS

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

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 30th December 2014 subject to ratification at every Annual General Meeting.

As per the amendment by the Ministry of Corporate Affairs dated 07th May, 2018, the requirement of ratification of appointment of auditors at every AGM by the members

has been done away with. But considering suggestion in the report of the independent auditor appointed by IRDAI, the same is proposed for ratification.

21. RISK MANAGEMENT POLICY

The Statement showing the details regarding the development and implementation of Risk Management Policy of the Institute 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.

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 Institute.

23. SHARES

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

24. MAINTANACE OF COST RECORDS

The Company is not required to maintain the cost records as specified by Central Government under sub section (1) of section 148 of the Companies Act, 2013.

25. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, associates, IRDAI Officials, consultants, and various Government Authorities for their continued support extended to your Institute activities during the year under review. Your Directors also acknowledges gratefully the members for their support and confidence reposed on your Institute more particularly for generous contribution to Benovolent Fund.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Hyderabad
Date: 30/11/2018

Sd./-
Basavaraju Shivaprakash
Director and President
DIN: 07102200

Sd./-
Mohinder Kumar Sharma
Director and Vice President
DIN: 07501510

Sd./-
Tanmoy Sarkar
Director and Secretary
DIN: 07108268

Sd./-
Naishadh Jayantilal Desai
Director and Treasurer
DIN: 07633680

**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 rd 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. 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)

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

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		-----	----	----	---	
1	Gross salary	Nil	Nil	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil	Nil	Nil
	Ceiling as per the Act	Nil	Nil	Nil	Nil	Nil

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors	Nil	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil
2	Other Non-Executive Directors	Nil	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	Nil	Nil	Nil	Nil	Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	Nil	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	Nil	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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



Independent Auditor's Report

To the Members of INDIAN INSTITUTE IF INSURANCE SURVEYORS & LOSS ASSESSORS

Report on the Standalone Financial Statements

1. We have audited the standalone financial statements of INDIAN INSTITUTE IF INSURANCE SURVEYORS & LOSS ASSESSORS ("the Company/Institute") which comprise the Balance Sheet as at March 31, 2018, the Statement of Income & Expenditure, Cash Flow Statement for the period ended, and a summary of significant accounting policies and other explanatory information, in which are included the returns for the year ended on that date received from the Institute's 4 Zones and 23 chapters(branches), to the extent received.

Management's Responsibility for the Financial Statements

2. The Institute's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Institute in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Institute 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 these interim financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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 and the Order issued under section 143(11) of the Act.
5. We conducted our audit of the standalone financial statements 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 standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Institute's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Institute's Directors, as well as evaluating the overall presentation of the standalone financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

8.
 - i. We draw attention to Note No. 10(f) where it is mentioned that the balance with banks in savings accounts includes ICICI bank, Ahmedabad and no balance confirmation was obtained from the bank. Furthermore, balance confirmation to the tune of Rs. 171314/- as reported under Note 10(g) held at various branches was also not received. Accordingly the effect of this non confirmation of bank and cash balances on the Assets, Liabilities and deficit, if any could not be ascertained.
 - ii. We draw attention to Note 12(b) of Notes forming part of financial statements where there is a receivable from Mr. Iqbal Tada amounting to Rs 209853, Mr Santosh Sarkar amounting to Rs 62384 and Mr. Lalit Gupta amounting to Rs 526921 however the amount receivables have been outstanding and there were no efforts available on records of the company to recover the amount and certainty of the receivable and no provision was made against such receivables. The impact of such outstanding on the Assets and consequential effect on the Assets and deficit, if any, could not be ascertained.
 - iii. We draw attention to Note 12(c) of Notes forming part of financial statements where in the absence of details and expense vouchers, advances given to Chapters/Zones has not been charged to Statement of Income and Expenditure statement and carried as advances and they have been long outstanding for several years. The impact of such long outstanding on the Assets and consequential effect on the Assets and deficit, if any, could not be ascertained.



iv. We draw attention to Note No 12(d) of the Notes forming part of the financial statements where it is stated that penalties for non-submission of accounts of chapter/zonal offices of previous years 2015-16 and 2016-17 have been debited to the chapters account with respect to previous years. In our opinion the institute has not complied with the provisions of Section 128 of the Companies Act, 2013 for keeping the books account for minimum number of years mentioned therein.

v. We draw attention to Legal Expenses Rs.411000/-under Note 17 with respect to which management has not provided as adequate details of the litigations involved and their relevance to the affairs of the Institute. Accordingly the impact of this cost on the deficit for the year could not be ascertained.

vi. We draw attention to Note 20 wherein 3 bank accounts have been identified during the year as being operated in the name of the Institute and in the opinion of the Council the same is not under its delegated authority and accordingly transaction undertaken under these banking accounts have not been incorporated in the books of accounts and thus do not form part of the financial statements under report. The impact of non-recording of these transactions on the Assets, Liabilities and deficit could not be ascertained.

vii. We draw attention to Note No. 26 where it is stated that the accounts till 30.06.2012 were drawn up based on records and documents as had been recovered by the IRDAI and possessed by the Institute from the IRDA basing on the directives of Hon. High Court, Ahmedabad on 24.07.2012. The transactions and events have cumulative impact on the financials figures of the reporting period and impact of which on the Assets, Liabilities and deficit could not be ascertained.

viii. We draw attention to Note No.23 of Notes forming part of financial statements where it is mentioned that the few Chapters/Zones have not submitted the accounts and /or Seminar Income & Expenditure Statement for the year 2017-18.As per the decision taken by the board in its meeting held on 18.08.2018, all payments made by such chapters during the year as evidenced from respective bank statements have been charged to the Debit of the Chapter Office as recoverable with provision for expenditure being created against such payments. Accordingly Current Assets have been overstated and charge on account of Seminar Expenses to the deficit for the year has been understated by Rs. 8.19 Lacs.

ix. Accounts of branches (Chapters and Zones) for the reporting period are not audited as audit reports from branch auditor's in accordance with Section 143(8) of the Act has not been received for the year under audit. Further, as verified by us Seminar expenses to the extent of Rs.603945/- were un- supported as verified from the returns received from such Chapters and Zones. Accordingly, Seminar expenses and deficit for the year to the extent of Rs.603945 has been overstated.

x. During the year with effect from July 1, 2017 Goods and Service Tax (GST) Act has been enacted and the institute is liable to collect GST from the all the receipts from its members. The Institute has raised a demand for all its existing members who have paid post enactment of GST Law however the liability has not been created in the books of accounts therefore no GST has



been paid for such demand raised. Such non-compliances of GST Act lead to levy of interest and penalties. The Impact of non-compliances on the financial statements could not be ascertained.

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, and except for the possible effects (to the extent ascertained) of the matters described in the basis of qualified opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Institute as at March 31, 2018, and its deficit and its Cash Flows for the year ended on that date.

Emphasis of Matter

10. We draw attention to
 - i. We draw attention to Note No 3(vi) of the notes forming part of financial statements where the new policy of membership continuation has been defined impacting recognition of annual membership fees is stated.
 - ii. We draw attention to Note No.12(b) where in a sum of Rs. 526921 has been carried as Advance to ex-president in the absence of the bills and supporting's for such payments being not rendered by him. Accordingly, for the reasons mentioned therein expenses have not been recognized to that extent.
 - iii. We draw attention to Note No13(c)wherein it is stated that a sum of Rs.125300/- is accounted as receivables from new members towards Admission Fee and Subscription Fee owing to lack software controls as also administrative controls at the Institute's administrative office.
 - iv. We draw attention to Note No 19(2) where the show cause notice for service tax demand has been raised by the Central Board of Excise and Customs against the membership fees been collected. The Council has made a representation to the Ministry of Finance for waiver the service tax hence the there is no provision been created.
 - v. We draw attention to Note No 19(3) where the demand has been raised by Deputy Director ESIC from Feb 25, 2014 to Mar 31, 2018 as the matter is under reconsideration by the competent authority no provision has been created in the books of accounts.
 - vi. We invite reference to Note No.20 where in details regarding Special Audit conducted by an independent audit firm on behest of IRDAI has been provided. The Institute has carried out review exercise and passed various rectification entries during the year including with respect to branch accounts for the period 2015-16, 2016-17 and 2017-18 as prior period Seminar Fee and Seminar Expenses.

Our opinion is not modified in respect for the above matters.



Other Matter

11 i. Financial statements/ information of 4 Zones and 23 Chapters are included in the standalone financial statements of the Institute whose financial statements/financial information reflect total assets (cash and Bank Balances) of Rs. 25.63 Lacs as at 31st March 2018 and the Seminar revenue of Rs. 58.29 Lacs for the year ended on that date. These financial statements/information of branches have not been audited by the branch auditors in accordance with Section 143(8) and accordingly no reports have been received from them and in our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the un audited returns received from such branches.

ii. With the Introduction of GST Act on 1st July 2017, the Institute is liable to collect and pay Goods and Service Tax in accordance with Section 7 of CGST Act, 2017 however during our general compliance procedures in the course of our audit for the period under reporting we came across certain non-compliances related to the new GST Act which are listed below.

- Institute has not levied GST on the services provided to its members and students in violation with section 9(1) of CGST Act, 2017 read with place of supply rules under GST law.

- Institute has paid GST returns only with respect to the liability arising from receipts from new members out of its own funds.

- Institute has not complied with Section 35(1) of CGST Act, 2017 w.r.t.

Maintenance of Accounts and Records

- Institute has not complied with Section 36 of CGST Act, 2017 w.r.t period of retention of accounts

- Institute has not availed of GST input available on the inward supplies resulting in financial loss to the institute.

- Institute has not complied with Section 22(1) & Section 24 of CGST Act, 2017 w.r.t GST registration.

- Institute has not complied with Section 37(1) of CGST Act, 2017 w.r.t furnishing details of outward supplies.

- Institute has not complied with Section 25(1) of CGST Act, 2017 w.r.t branches/offices registrations under GST Act.

- Institute has not complied with Section 9(4) of CGST Act, 2017 and Section 5(4) of IGST Act, 2017 w.r.t payment under reverse charge.

Considering the above it is advisable that a comprehensive independent compliance review is carried out by the management to ascertain the financial obligations arising out of such non compliances as also to initiate remedial measures.

Our opinion is not modified in respect of these matters.



Report on Other Legal and Regulatory Requirements

12. As required by Section 143 (3) of the Act, based on our audit and referred to in the Other Matters paragraphs above , we report to the extent possible, that:

- a. We have sought and except for the matters described under Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. Except for the matters described under Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Institute;
- c. The reports on the accounts of the branch offices of the Institute are not received as audited accounts in accordance with Section 143(8) of the Act and thus not dealt with by us in preparing this report.
- d. Except for the matters described under Basis for Qualified Opinion paragraph , the Balance Sheet, the Statement of Income & Expenditure and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- e. Except for the matters described under Basis for Qualified Opinion paragraph above, 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.
- f. The matters described in the Basis for Qualified Opinion paragraph and Emphasis of Matters paragraphs above, in our opinion, may have adverse effect on the functioning of the Institute;
- g. On the basis of written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the director is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- h. With respect to the adequacy of the internal financial controls over financial reporting of the Institute and the operating effectiveness of such controls, refer to our separate Report dated 30th November 2018 as per “**Annexure A**” which expressed a qualified opinion.
- i. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Institute has not adequately disclosed the details of any pending litigations which would impact its financial position.
 - ii. The Institute 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 Institute.
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements . Hence, reporting under this clause is not applicable.
13. Institute being licensed under section 8 of the Act (Section 25 of the Companies Act,1956), Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and the matters specified therein are not applicable to the Institute.

For SHARAD & ASSOCIATES
Chartered Accountants
Firm's registration number: 06377S

Sharad Sinha
Partner
Membership number: 202692

Hyderabad
30th November 2018



Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 12(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of INDIAN INSTITUTE OF INSURANCE SURVEYORS & LOSS ASSESSORS of even date)

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

1. In conjunction with our audit of the standalone financial statements of INDIAN INSTITUTE OF INSURANCE SURVEYORS & LOSS ASSESSORS (“The Institute/Institute”) as at and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting as at that date.

Management’s Responsibility for Internal Financial Controls

2. The Institute’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Institute 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 Institute’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

3. Our responsibility is to express an opinion on the Institute'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.
4. 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.

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

Meaning of Internal Financial Controls over Financial Reporting

6. An Institute'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. An Institute'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 Institute; (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 Institute are being made only in accordance with authorizations of management and directors of the Institute; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Institute's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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.

Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at 31 March 2018:
 - i. The Institute did not have appropriate internal controls over financial reporting towards transactions conducted out of pre signed cheques held with and issued by the president as the practice of signing blank cheques by various signatories to the banking accounts of the Institute on the basis of trust continued during the reporting period. This resulted in transactions being recorded in the books of accounts with delay as described in Note No.12 (b) and remained unsupported.



- ii. Our review of IISLA's database (Zam Software) maintained by third party vendor indicated absence of software control impacting allotment of duplicate membership number, multiple collection of benevolent fund admission fee from members and raising of demand for new admissions. These risks seriously impact financial reporting by the Institute in the event of non-detection through manual controls.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Institute's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, because of the effects/possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Institute has not maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were not operating effectively as of 31 March 2018, based on the internal control over financial reporting criteria established by the Institute 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.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Institute as at and for the year ended 31 March 2018, and the material weakness has affected our opinion on the standalone financial statements of the Institute and we have issued a qualified opinion on the standalone financial statements.

For SHARAD & ASSOCIATES
Chartered Accountants
Firm's registration number: 06377S

Sharad Sinha
Partner
Membership number: 202692

Hyderabad
30th November 2018

Name of Company	INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS
Current year Ending	As at March 31, 2018
Previous Year Ending	As at March 31, 2017
Current Period	2017-18
Previous Period	2016-17
Status	Company
Date of Incorporation	04.10.2005
PAN	AABC15700M
Address	3 RD FLOOR PARISHRAM BHAVAN BASHEERBAGH, HYDERABAD-500029

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

Balance Sheet as at March 31, 2018

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
I. SOURCES OF FUNDS			
1 Reserves & Earmarked Funds			
(a) Reserves and surplus	4	43,354,276	57,055,962
(b) Earmarked Funds	5	148,091,728	137,582,623
3 Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	6	1,642,187	1,635,896
(d) Short-term provisions	7	6,173,124	5,709,900
TOTAL		199,261,314	201,984,381
II. APPLICATION OF FUNDS			
1 Non-current assets			
(a) Fixed assets	8		
Tangible Assets		282,059	414,064
Intangible Assets		-	-
Intangible Assets under development		501,000	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets	9	150,400	120,000
2 Current assets			
(a) Cash and bank balances	10	57,316,246	53,313,511
(b) Earmarked Fixed Deposit with banks	11	131,320,228	116,307,456
(c) Short-term loans and advances	12	3,466,471	920,870
(d) Other current assets	13	6,224,909	30,908,479
TOTAL		199,261,314	201,984,381
Notes forming Integral part of accounts	1-27	-	-

As per our report of even date attached

For SHARAD & ASSOCIATES

Chartered Accountants

Firm Reg.No.006377S

SHARAD SINHA

Partner

M. No 202692

Hyderabad, dated this 30th day of November, 2018

For and on behalf of the Board of

Indian Institute of Insurance Surveyors & Loss Assessors

CIN: U80902TG2005NPL047675

B Shivaprakash

President

DIN:07102200

Tanmoy Sarkar

Secretary

DIN:07108268

Mohinder Sharma

Vice President

DIN:07501510

Naishadh Desai

Treasurer

DIN:07633680

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

Statement of Income & Expenditure For The Year Ended March 31, 2018

Particulars	Note No	2017-18	2016-17
I. Revenue from operations	14	21,678,815	48,622,121
II. Other income	15	2,306,455	1,650,985
III. Total Revenue		23,985,270	50,273,106
IV. Expenses:			
Employee benefits expense	16	1,204,936	1,383,388
Operation and Other Expenses	17	14,830,148	28,965,424
Finance Costs	18	15,458	27,394
Depreciation and amortization expense	8	132,005	302,590
V. Total expenses		16,182,548	30,678,796
VI. Surplus before exceptional and extraordinary items and tax (III-IV)		7,802,722	19,594,310
VII. Exceptional items	25	23,268,155	-
VIII. Surplus(Defecit) before extraordinary items and tax (V - VI)		(15,465,433)	19,594,310
IX. Extraordinary Items	24	-	292,955
X Surplus/(Defecit) before tax (VII- VIII)		(15,465,433)	19,301,355
XI Tax expense:			
(1) Current tax		941,753	3,974,070
(2) Deferred tax		-	-
XII Surplus/(Defecit) for the period from continuing operations (VII-VIII)		(16,407,186)	15,327,285
XIII Surplus/ (Defecit) for the period (XI + XIV)		(16,407,186)	15,327,285
Notes forming Integral part of accounts	1-27		

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 of
Indian Institute of Insurance Surveyors & Loss Assessors
CIN: U80902TG2005NPL047675

B Shivaprakash **Mohinder Sharma**
President **Vice President**
DIN:07102200 **DIN:07501510**

Tanmoy Sarkar **Naishadh Desai**
Secretary **Treasurer**
DIN:07108268 **DIN:07633680**

SHARAD SINHA
Partner
M. No 202692

Hyderabad, dated this 30th day of November,2018

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

Cash Flow Statement for the year ended March 31, 2018

Particulars	2017-18		2016-17	
	₹	₹	₹	₹
Cash Flow from Operating Activities				
Surplus before tax and extra ordinary items	(15,465,433)		19,301,355	
Add: Baddebts	-		-	
Add: Interest	-		-	
Add: Depreciation	132,005		255,180	
Add: Excess provision reversed	-		26,625	
Add: Less Depreciation Charged in Previous year	-		47,410	
Cash flow before working capital changes	(15,333,428)		19,630,570	
Increase/(Decrease) in Non-Current Liabilities				
Other Long Term Liabilities	-		-	
Long-term Provisions	-		-	
Increase/(Decrease) in Current Liabilities				
Short-term Borrowings	-		-	
Trade Payables	-		-	
Other Current Liabilities	6,291		(700,056)	
Short-term Provisions	99,247		(246,491)	
(Increase)/Decrease in Non-Current Assets				
Long-term Loans & Advances	-		-	
Other non-current Assets	(30,400)		45,000	
(Increase)/Decrease in Current Assets				
Inventories	-		-	
Trade Receivables	-		-	
Short-term Loans & Advances	(2,545,601)		244,919	
Other Current Assets	24,156,649		(20,705,884)	
Cash generated from operations	6,352,758		(1,731,942)	
Income taxes Paid	(3,409,666)		(3,974,070)	
Net Cash from Operating Activities		2,943,092		(5,706,012)
Cash flow from Investing Activities				
Sale of Asset	-		-	
Investments in Earmarked Funds	(15,012,772)		(116,307,456)	
Purchase of Fixed Assets	(501,000)		(28,000)	
Net Cash Flow from Investing Activities		(15,513,772)		(116,335,456)
Cash Flow from Financing Activities				
Proceeds from Benevolent Funds	4,283,340		15,638,393	
Proceeds from Corpus Funds	2,820,000		8,188,591	
Transferred to Corpus Fund - Earmarked Fixed Deposits	9,470,075		9,915,317	
Net Cash Flow from Financing Activities		16,573,415		33,742,301
Net Increase/(Decrease) in Cash		4,002,735		(88,299,167)
Add: Cash and cash equivalents from at the beginning of the year		53,313,511		141,612,678
Cash and cash equivalents from at the end of the year		57,316,246		53,313,511

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

For SHARAD & ASSOCIATES
Chartered Accountants
Firm Reg No. 063775

For and on behalf of the Board of
Indian Institute of Insurance Surveyors & Loss Assessors
CIN: U80902TG2005NPL047675

B Shivaprakash
President
DIN:07102200

Mohinder Sharma
Vice President
DIN:07501510

SHARAD SINHA
Partner
M. No 202692

Fanmoy Sarkar
Secretary
DIN:07108268

Naishadh Desai
Treasurer
DIN:07633680

Hyderabad, dated this 30th day of November,2018

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

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 (Presently Section 8 of Companies Act, 2013) and was promoted by Insurance Regulatory and Development Authority of India (IRDAI). 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 8944 members and 219 Student Members across India through four zones and various chapters. However 2231 members have been de registered as on 31.03.2018

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 Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 and read with Rule 7 of Companies (Accounts) Rules, 2014. 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 in 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 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 from members on record as per Register of Members 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. All revenues from members have been accounted exclusive of GST.

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.

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

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

The Institute recognises annual membership(Subscription) fee on accrual basis from the members whose names exist in the Register of Members as on the date of reckoning . During the year Institute(It's Council) has taken a decision to de-register members having outstanding beyond 12 months as at the balance sheet date as against its earlier policy of recognition of Annual Subscription Fee from members 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 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. Council has further decided to de register a member after 30th September of each year in case of non payment of annual subscription for that year, commencing financial year 2018-19.

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 and any revenue receipt from non members, thus tax is accounted at the rates prevailing for the relevant period.

ix) Benevolent Fund

Formation of IIISLA - Benevolent fund was approved by the Council upon resolution passed by the members at their Extraordinary General Meeting held on 26th March 2016.For the purpose of administering such fund an administrative body of benevolent fund as been formed.While the Scheme was mandatory for members aove the age of 70 years (as on the 1st day of financial year) during 2016-17, the same made mandatory for age (as on the 1st day of financial year) upto 75 years for the year 2017-18. The scheme was however made optional in the later part of the financial year 2017-18.

The Admission fee and Subscription is recognised on actual receipt from the eligible members. The Admission fee & Subscription fee received (including advance contribution, if any)against benevolent fund are credited to the Fund account and is not routed through the Income & Expenditure Account of the Institute. The Income and expenses of the fund are routed through fund account. The Expenses include Taxes, Claims and any other administrative expenses of the Fund.

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

The Benevolent Fund is disclosed under Reserves & Surplus i.e Note 4 of the notes forming part of the financial statements. In order to earn income for settlement of claims the institute is depositing such subscription received against benevolent fund in Fixed Deposits with State Bank of India.

4 - RESERVES & SURPLUS

Particulars	As at March 31, 2018	As at March 31, 2017
a. Corpus Fund		
Opening balance	32,025,870	23,837,279
(+) Admission Fee Collection in current year	2,820,000	3,265,000
(+) Others	-	4,923,591
Sub Total	34,845,870	32,025,870
b. Surplus		
Opening balance	25,030,092	2,395,372
(+) Excess of income over expenses for the current year	-16,407,186	15,327,285
(+) Others	-114,500	33,157
(+) Amounts transferred from other funds		7,274,278
Sub Total	8,508,406	25,030,092
Closing Balance	43,354,276	57,055,962

c. Corpus funds represents admission fee collected during the reporting period. Others in previous year under corpus fund represents the addition to the fund balance arising out of reconciliation as correctly now arrived at from the software/database of the members , due to less admission fee being credited to the fund in the past.

d. "Others" in the current year pertains adjustments carried out for incorrect balances of advances received from Members as at Mar 31, 2017. Further "others" under Surplus for previous year relates to excess interest credited in 2015-16 to the tune of Rs.33157 and which was added back to Surplus during 2016-17.

5 - EARMARKED FUNDS

Particulars	As at March 31, 2018	As at March 31, 2017
a. Building Fund		
Opening balance	59,409,227	58,305,229
(+) Interest on the above Funds	3,726,615	4,460,415
(-) Adjustments for tax	835,467	3,356,417
Sub total	62,300,375	59,409,227
b. Training & Education Fund		
Opening balance	41,961,445	41,086,230
(+) Interest on the above Funds	3,079,578	3,281,827
(-) Adjustments for tax	848,500	2,406,612
Sub total	44,192,523	41,961,445

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

c. Research Fund		
Opening balance	20,573,558	19,918,264
(+) Interest on the above Funds	1,523,224	2,173,075
(-) Adjustments for tax	419,685	1,517,781
Sub total	21,677,097	20,573,558
d. Benevolent Fund		
Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	15,638,393	-
(+) Benevolent Subscription	7,077,000	5,881,000
(+) Benevolent Admission	2,456,000	11,762,000
(+) Interest income net of taxes	826,378	489,222
(+) Advance benevolent fund received	172,000	47,000
(+) Donation to Benevolent Fund	-	45,000
(-) Benevolent Fund claims	6,248,038	2,585,829
Sub Total	19,921,733	15,638,393
Closing Balance	148,091,728	137,582,623

e. Adjustments in previous year under Training & Education fund, Research Fund and Building fund pertains to excess credit of interest to the fund account in the previous years on account of tax component being borne by the surplus and not by the fund. During the year with consequential effect from the accounting policy of the Benevolent fund the Institute has changed its policy that the expenses of the fund has to be borne by the respective funds accordingly tax component on the Interest Income accrued/received upto financial year end has been charged to the respective fund with corresponding credit to the surplus.

f. Out of Balance of Rs 15638393 in the Benevolent Fund the Institute has earmarked Fixed Deposits to the tune of Rs 14246119, Balances with State Bank of India of Rs 873029 and Balances with Revenue Authorities of Rs 71919 (TDS Receivable).

6 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017
Advance Members Subscription Fees	1,561,247	1,054,956
Insurance Liability to Members	-	500,000
Training Liability to Jabalpur	80,940	80,940
Total	1,642,187	1,635,896

a. Advance members subscription fees represents the amount received from members towards subscription not fallen due. During the previous year it also includes Rs.16500/- from new members who have not been granted membership by the council.

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

b. Insurance Liability to Members in previous year 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 was not pronounced till the previous year end. 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. This amount was subsequently paid during July, 2017. Interest earned on this deposit has been recognised as income since in the opinion of the Council , these amounts are held with the Institute in trust for reasons beyond Institute's control and were paid immediately on clearance from the Courts in this regard.

7 - SHORT TERM PROVISIONS

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Audit fee Payable	135,000	112,500
(b) Liability for Expenses	46,962	117,997
(c) TDS Payable	14,990	15,439
(d) Other Statutory Liability Payable	7,805	500
(e) Provision for Income Tax	4,677,793	5,248,624
(f) Council member travelling expense payable	86,259	214,840
(g) Provision for Statutory Liabilities	1,200,000	-
(h) Unreconciled Bank Receipt Suspense	4,315	-
Total	6,173,124	5,709,900

i. Liability for expenses included expenses of Rent amounting to Rs.37027, Electricity bill payable Rs.9935.(Previous Year: Rent amounting to Rs.24,490, Salary amounting to Rs.83,806, Electricity bill payable Rs.9,701)

j. Other statutory liability payable represents the amount payable towards professional tax and Interest on TDS payable till the date of balance sheet.

k. Provision for Income tax (both current year as well as previous year) includes Interest of Rs 22,39,805 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

l. Council member travelling expense payable includes amount payable to Mr. RK Elango amount Rs.76,259, Mr.Manish Joshi amount Rs.10000 (Previous Year: Mr. Love patel amount Rs.1,13,372, Mr.Naishadh Desai amount Rs.25,209 and Mr. RK Elango amount Rs.76,259.)

m. The Institute is in the process of identifying the amounts lying in BRS suspense to the tune of Rs.4315

n. Provision for Statutory liabilities represents penalties debited to various Chapters and Zones which has not submitted proper accounts despite several reminders for the previous years 2015-16 & 2016-17 in proportion to consequential liability which may arise under Section 128 of the Companies Act,2013.

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

8 - FIXED ASSETS

	Fixed Assets	Gross Block						Accumulated Depreciation					Net Block	
		As at April 1, 2017	Additions	Deletions/ Adjustments	Acquired through business combinations	Translation exchange difference	As at March 31st, 2018	As at April 1, 2016	Depreciation charge for the year	Translation exchange difference	Deletions/ Adjustments	As at March 31st, 2018	As at March 31, 2018	As at March 31, 2017
a	Tangible Assets													
	Furniture and Fixtures	198,062	-	-	-	-	198,062	64,736	20,092	-	-	84,828	113,234	133,326
	Computers	581,080	-	-	-	-	581,080	420,571	74,718	-	-	495,289	85,791	160,509
	Office Equipment	113,933	-	-	-	-	113,933	83,497	23,210	-	-	106,707	7,226	30,436
	Electrical Installation	145,790	-	-	-	-	145,790	55,997	13,985	-	-	69,982	75,808	89,793
	Other Assets	4,875	-	-	-	-	4,875	4,875	-	-	-	4,875	-	-
	Total	1,043,740	-	-	-	-	1,043,740	629,676	132,005	-	-	761,681	282,059	414,064
b	Intangible Assets under development													
	Software	331,111	501,000	-	-	-	832,111	331,111	-	-	-	331,111	501,000	-
	Total	331,111	501,000	-	-	-	832,111	331,111	-	-	-	331,111	501,000	-
	Grand Total	1,374,851	501,000	-	-	-	1,875,851	960,787	132,005	-	-	1,092,792	783,059	414,064
	Grand Total previous year	1,346,851	28,000	-	-	-	1,374,851	658,196	255,180	-	47,410	960,786	414,064	688,655
c.	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 Institute of Chartered Accountants of India													
d	Addition of Rs.501000 referred as software under (b) is amount advanced for the software development.													

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

9 - OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Rent Deposit	150,400	120,000
Total	150,400	120,000

10 - CASH & BANK BALANCES

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Balances with banks		
In Savings Accounts	8,981,337	6,649,405
In Fixed deposits (Not Earmarked)	47,897,016	46,348,145
(b) Cash on hand	231,375	44,711
(c) Cheques deposited in bank but not cleared	92,218	10,000
(d) Cheques in Hand	114,300	261,250
Total	57,316,246	53,313,511

e) 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.

f) Balance with banks in savings accounts includes balance in ICICI bank, Ahmedabad where no balance confirmation could be obtained from the bank.

g). Cash in hand includes cash balances with below chapters:

Particulars	As at March 31, 2018	As at March 31, 2017
Chattisgarh	3,530	1,425
East Zone	5,080	5,080
North East	41,649	7,912
Gujarat (Vadodara)	21,707	21,707
Cash at Delhi Office	95,000	-
Jharkhand Chapter	3,647	-
West Bengal	701	3,250
Total	171,314	39,374

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

11 - EARMARKED FIXED DEPOSITS WITH BANKS

Particulars	As at March 31, 2018	As at March 31, 2017
a. Towards Building Fund held with		
State Bank of Hyderabad FD No - 62283347437	9,603,078	9,505,889
State Bank of Hyderabad FD No - 62418445129*	9,603,078	9,505,889
Canara Bank FD No.3327401001279/2	11,854,521	11,425,434
Vijaya Bank FD No. 404603311002684*	11,018,092	10,611,084
Vijaya Bank FD No. 404603311002685*	928,734	890,647
Central Bank of India FD No - 3330396721	10,065,417	9,740,359
Axis Bank FD No - 915040036304108	5,508,319	5,380,503
Bank of India FD No - 564745110001027	3,025,085	2,915,839
Total Earmarked Deposits of Building Fund-A	61,606,324	59,975,644
b. Towards Training and Education Fund held with		
State Bank of Hyderabad FD No - 62314716620	6,357,598	5,903,365
State Bank of Hyderabad FD No - 62445446254*	5,387,809	-
State Bank of Hyderabad FD No - 62445446049*	7,268,069	6,744,921
Vijaya Bank FD No.404603311002311	9,081,881	8,707,850
Central Bank of India FD No - 3330396426	10,065,417	9,740,359
Axis Bank FD No - 915040036304687	5,508,319	5,380,502
Total Earmarked Deposits of Education Training Fund- B	43,669,093	36,476,997
c. Towards Research Fund held with		
State bank of Hyderabad FD No - 62290036033	3,182,222	2,943,062
Axis Bank FD No - 913040030694722	6,521,802	6,091,427
Axis Bank FD No - 913040030693855	3,260,900	3,045,713
Central Bank of India FD No - 3330396426	10,065,417	4,870,178
Canara Bank FD No - 3327401001279/1	3,014,470	2,904,435
Total Earmarked Deposits of Research Fund- C	26,044,811	19,854,815
Total (A+B+C)-(Does not include Accrued Interest)	131,320,228	116,307,456

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.

12 - SHORT TERM LOANS & ADVANCES

Particulars	As at March 31, 2018	As at March 31, 2017
a. Unsecured, Considered good		
Loans & Advances to related parties	799,158	272,237
Loans & Advances to Zones/Chapters	648,633	648,633
Chapter Suspense	5,647,661	-
Less: Provision for Expenses for Chapter Suspense	(4,828,981)	-
Net Chapter Suspense	818,680	-
Chapter Penalties	1,200,000	
Total	3,466,471	920,870

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

b. Loans & advances to related parties pertains to past directors of the Institute namely Mr. Iqbal Tadha (Rs.209853)& Mr. Santosh Sarkar (Rs.62384) and Lalit Gupta (Rs.526921) to the tune of Rs.799158. 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 as decided by the respective period council members in office.

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. Further it includes the amounts receivables from Rajsthan chapter amounting to Rs. 64185, East zone amount Rs. 100000, South zone amount Rs. 223000 and West zone amount Rs. 203498.

d. Chapter suspense relates to debit raised in the books of the Institute towards payments made by those chapters during the reporting period which has not submitted accounts for the year 2017-18. Chapter penalties represent similar debits to office bearers of such chapters and Zones which has not submitted accounts for the years 2015-16 and 2016-17 till date based on likely penalty if any imposed by Registrar of Companies under section 128 of the Companies Act,2013

13 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017
Interest Accrued on fixed deposits	3,693,179	7,038,572
Advance for Purchase of Software	-	201,000
Receivable from members towards Subscription	1,541,700	22,363,145
Prepaid Insurance (GPA Policy)	990,030	1,305,762
Total	6,224,909	30,908,479

a. Advance paid to Agile Avenues Pvt Ltd towards purchase/development of Software until previous years for updating the members records with technological features including a mobile application was adjusted against the amounts paid to new vendor M/s SMS Infotech, Chennai and has been carried in the books as "Intangibles Under Development".

b. Chapter suspense pertains to debit those chapters who have not produced books of accounts 2017-18 and provision for expenses has been created to the extent receipts from seminar/training conducted or payments made whichever is lower

c. During the year the Institute has revised the policy recognising the membership i.e each member is required pay their membership fee by Sept 30 of each respective financial year thus the receivables has undergone a change drastically compared to the previous year. Receivables from mebers include a sum of Rs.125300/- representing non collection of Admission Fee and subscription for new memberships allotted during the reporting period owing lack administrative and software control at Delhi Office.

14 - REVENUE FROM OPERATIONS

Particulars	2017-18	2016-17
Subscription Fee	14,320,000	13,999,500
Seminar fee	6,484,615	21,583,535
Sponsorship Income from Seminars	122,000	-
Students Members Enrolment fee	541,500	361,700
Re-admission fees	42,000	171,000
Prior period income from members	-	12,278,912

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

Other income from Members	168,700	227,474
Total	21,678,815	48,622,121

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

b. Seminar Income includes prior period seminar fee Rs 655656 pertaining to 2015-16 and 2016-17 recorded based on accounts received during the reporting period

15 - OTHER INCOME

Particulars	2017-18	2016-17
Interest Income		
Interest from bank deposits	11,749,424	11,534,160
Other Income	27,106	10,462
Prior period_Interest income on Fixed deposits	-	21,680
Sub total	11,776,530	11,566,302
Less: Interest on Earmarked investment transferred to corpus fund	9,470,075	9,915,317
Total	2,306,455	1,650,985

16 - EMPLOYEE BENEFIT EXPENSE

Particulars	2017-18	2016-17
Salaries and incentives	1,137,851	1,292,675
Staff Welfare	30,485	55,538
Bonus to Employees	36,600	35,175
Total	1,204,936	1,383,388

17 - OPERATION & OTHER EXPENSES

Particulars	2017-18	2016-17
Administrative Office Rent	425,759	479,324
Repairs & Maintenance - Office Equipments	8,700	79,950
Repairs & Maintenance - Office	149,305	123,053
Rates & Taxes	5,400	42,065
News Papers & Periodics	1,650	1,200
Workshops, Seminars & Training Expenses	7,240,106	21,772,179
Web hosting charges	158,950	120,000
Insurance Premium for members PA Group Insurance	2,684,652	2,619,965
Telephone & Communication Expenses	129,143	104,365
Travelling Expenses	1,250,017	713,965
Election Expenses	-	881,767
Electricity Expenses	120,186	111,173
Annual General Meeting Expenses	387,424	351,368
Council Meeting expenses	1,117,621	549,709
Legal Expenses	411,000	263,200
Postage & Courier	148,325	67,458
Printing & Stationery	154,976	306,026
Professional Charges	164,446	153,379

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	2017-18	2016-17
Conveyance	16,218	19,603
Interest on Tds	3,435	785
Payments to the auditor as		
auditor	186,078	125,000
for tax matters	30,000	70,000
Reimbursement of Expenses	27,477	3,390
to branch auditors	9,280	6,500
Total	14,830,148	28,965,424

a. Repairs & Maintenance - Office equipments includes an amount of Rs.76850 during the previous year for purchase of Windows Operating System(OS), Antivirus & MS office during the reporting period. These amounts were not capitalised due to the reason that there were no identification of installations in the computer systems available.

b. Legal expenses during the previous year includes amount of Rs. 2 lacs paid to advocate Mr. Khem Chand Mahaveer for Liberty Videocon Insurance case.

c. The above expenses include prior period expenses as mentioned below:

Particulars	2017-18	2016-17
Travelling Expenses	24,999	5,476
Postage & Courier	-	5,608
Electricity Expenses	-	7,328
Telecommunication Expenses	-	1,550
Workshops, Seminar & Training expenses	614,717	166,698
Total	639,716	186,660

d. Repairs and Maintenance Charges-Office includes building maintenance charges paid for Hyderabad Office and Delhi Office

18 - FINANCE COSTS

Particulars	2017-18	2016-17
Bank Charges	15,458	27,394
Total	15,458	27,394

19. Contingent liabilities:

1. There is a demand outstanding to the tune of Rs.28,370 towards TDS default prior to 2014-15.(Previous Year : Rs.28370/-) which in the opinion of the Council is not payable and requires corrective action through online mode hence not considered as liability in the books of accounts of the Institute.

2. Director General of GST, Intelligence Wing, Hyderabad has issued a show cause notice after the balance sheet date amounting to Rs.2.35 Crores for the period April,2013 to June,2017. The Council has made representation to the Ministry of Finance (thru IRDAI and DoFS) as also has hired the services of law firm specialising in Indirect taxes and accordingly is hopeful of negation of this tax demand or substantial relief in the amounts demanded. Hence no liability has been recognised in the books of accounts towards this demand.

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

3. Deputy Director, ESIC, RO, Hyderabad has raised a demand of Rs.2.80 lacs against the Institute for the period 25.02.2014 to 31.05.2018 after the balance sheet date and this liability has not been accounted for in the books of accounts pending clarification upon the calculation of demand amount. The matter is under reconsideration of the competent authority and demand payable if any would be paid as and when the liability is crystallised under the relevant provisions of the law.

20. During the year IRDAI had appointed M/s M.Anandam & Co, CAs, to conduct a Special Audit of IISLA accounts with a broad scope of review of accounting systems and control and financial irregularities, if any for the period 2014-15 to 2017-18. The Special Auditors in their report had commented on accounting treatment of Subscription Income, supportings for various expenses incurred, Non inclusion/incorrect accounting of Chapter/Zonal Accounts in the books of the Institute, few over and under statement of Current Assets and Liabilities among other matters. Council had thus taken a view to improve the accounting system as also the correction of few accounting entries in the books of Institute during 2017-18 as a corrective measure. Prior Period Income/Expenses as noted above reflect net effect of such Incomes/Expenses. Council had also taken serious note of delayed/non submission/incorrect submission of accounts by various chapters/Zones and had accordingly resolved to penalise the office bearers of non complaint Chapters & Zones by means of personal debits against their names. Accordingly, changes were made to the accounts of 2017-18 in terms of presentation of annual accounts, debits in the name of the Chapter/Zones Office Bearer's of non complaint Chapter/Zones during the period 2015-16 to 2017-18. The Special Auditor had on the basis of whistle blower inputs also pointed out to few undisclosed bank accounts being operated in the name of the Institute and had accordingly identified banking account with Bank of Baroda, New Delhi (A/c No. 068601000047727 & 068601000004022). A Savings Account with Punjab National Bank, Kerala was detected based on the accounts statements received. The council is seized of this information and had accordingly approached the bank's branch to obtain the details of the account, its signatories and finally to obtain the statement to identify and account for the transactions in the books of IISLA which hitherto remained unaccounted resulting in unintended defective accounting. The bankers have refused to share any such information and accordingly Council has resorted to Police Complaint route to get these factual details and to gain control of any such account in the name of the *Institute as also to account for transactions undertaken therein and to initiate disciplinary proceedings against the signatories to the account. Pending this enquiry process, Council has not accounted for the transactions undertaken in those accounts even though bank statement was made available to the Institute since legal ownership of the account and substance of the transactions recorded therein are under enquiry/investigation.*

21. 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.

22. 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 its 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 and revenue receipt from non members for the year.

23. 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. Very few Chapters/Zones have not submitted the audited accounts and /or Seminar Income & Expenditure Statement for the year 2017-18. Transactions of such Chapter/Zones have been incorporated in the consolidated accounts of IISLA wherever accounts were received. Transactions in other cases have been accounted adhoc basis for others on the basis of bank account statement.

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

24. Extraordinary items in I&E for the previous year includes amount paid to Ex Karnataka Chairman Rs. 69,260 for which no details were available. Further it includes amount paid to NCR chapter during 15-16 but was incorrectly accounted in the previous previous year. A sum of Rs.1,72,995/- paid towards re imbursement of expenses for the conduct of Extra Ordinary General Meeting held on 26.03.2016 at Kanpur forms the balance part of this item.

25. Exceptional Item in the current year of Rs 23268155 pertains to receivables written off as the Council has taken a view that the members who has not paid their dues upto Sept 30, 2018 should not considered as an active member and their membership stands blocked, therefore the the receivables from the members as at Mar 31, 2018 have been written off if their dues have not been settled by Sept 30, 2018

26. 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 cumulative 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.

27. Events occurring after the reporting period

27.1 The financial statements were approved for issue by the Board of Directors on 30 November 2018

27.2 All the transactions which have occurred post reporting period and has bearing in the accounts of the reporting period has been adjusted or disclosed, as the case may be, in the financial statements.

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

for SHARAD & ASSOCIATES

Chartered Accountants

Firm reg.No. 006377S

SHARAD SINHA

Partner

M. No .202692

**For and on behalf of the Board of
Indian Institute of Insurance Surveyors & Loss Assessors
CIN: U80902TG2005NPL047675**

B Shivaprakash

President

DIN:07102200

Mohinder Sharma

Vice President

DIN:07501510

Tanmoy Sarkar

Secretary

DIN:07108268

Naishadh Desai

Treasurer

DIN:07633680

Hyderabad, dated this 30th day of November, 2018