

Name of Company	Indian Institute of Insurance Surveyors & Loss Assessors
Current Year Ending	As at March 31, 2012
Previous Year Ending	As at March 31, 2011
Current Period	2011-12
Previous Period	2010-11
Status	Company
Date of Incorporation	04-10-2005
PAN	AABCI5700M
Address	3RD FLOOR PARISHRAM BHAVAN BASHEERBAGH, HYDERABAD-500029.

INDEPENDENT AUDITORS' REPORT

To The Members of
INDIAN INSTITUTE OF INSURANCE SURVEYOR AND LOSS ASSESSOR

Report on the financial statements

1. We have audited the attached financials statements of INDIAN INSTITUTE OF INSURANCE SURVEYOR AND LOSS ASSESSOR, which comprise of balance sheet as at 31st March 2012 and the Income & Expenditure Account for the year ended on that date and a summary of significant accounting policies and their explanatory statement.

Management's responsibility for the financial statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate, *except for the matter referred in paragraph 6 of Basis for Disclaimer Opinion*, to provide a basis for our disclaimed audit opinion.

Basis for Disclaimer Opinion

6. We draw attention to Note Nos.2(d),3(d),4(c),19, 20, 21, 22, 24 and the explanation there mentioned, the effect of which on the Assets, Liabilities and Surplus could not be ascertained, accordingly we are unable to confirm that the balance sheet and income and expenditure represents True and fair view.

Disclaimer Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and *except for the effects of the matter described in basis of disclaimer opinion paragraph*, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
 - a. In the case of the balance sheet, of the state of affairs of the company as at 31 March 2012, and
 - b. In the case of the statement of Income & Expenditure, of the Surplus for the year ended on that date,

Emphasis of Matter

8. Without qualifying our opinion, we draw attention to:
 - i) *The accounts of the company for the year ended March,31st 2011 were audited and reported by another firm of Chartered Accountants vide their qualified report dated 24th December, 2012. The balances as at March 31, 2011 as per audited accounts, regrouped/reclassified where necessary, more so to comply with Revised Schedule VI of the Companies Act,1956, have been considered as opening balances for the purpose of these financial statements.*
 - ii) *Note Nos.2(a) and 3(e) regarding change in accounting policy with respect to accounting for Interest on Fixed Deposits and creation of specific funds out of erstwhile Corpus Fund which in the opinion of the Board of Directors are consistent with Generally Accepted Accounting Practices in India as also in conformity with the objectives for which Institute has been established.*

Report on other legal and regulatory requirements

1. In our opinion, since the company is licensed under section 25 of the Companies Act,1956,the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act and the matters specified therein are not applicable to the company.

2. As required by section 227(3) of the Act, we report that:

(a) Except for the matters described in the basis for Disclaimer Opinion paragraph, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) Except for the matters described in the basis for Disclaimer Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as appear from our examination of those books and proper returns adequate for the purposes of our audit have been received from power purchase committee;

(c). Except for the matters described in the basis for Disclaimer Opinion paragraph, the Financial statements dealt with by this report are in agreement with the books of account;

(d) with reference to Section 133 of the Companies Act, 2013 which is effective from 12th September, 2013 and further with reference to MCA Circular No.16/2013 Dt.18.09.2013 and subject to the effects of the matter described in basis of disclaimer opinion paragraph, in our opinion, the Financial Statements comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; and

(e) On the basis of written representation received from the directors of the company as at 31st march, 2012 and taken on record by the board of directors, we report that no director is disqualified from being appointed as a director of the company under clause (g) of sub section (1) of the Section 274 of the Companies Act, 1956.

For SHARAD & ASSOCIATES
Chartered Accountants
Firm Reg No. 063775





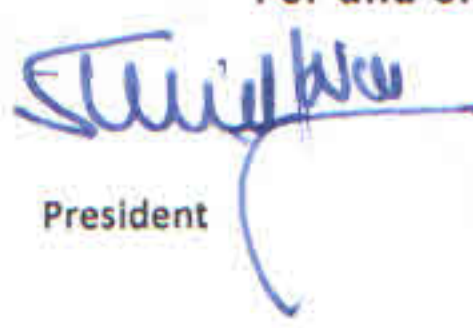

SHARAD SINHA
Partner
M.No: 202692



Hyderabad, dated this 16th day of
December, 2013

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

Balance Sheet as at March 31, 2012

Particulars	Note No.	As at March 31, 2012	As at March 31, 2011
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital		-	-
(b) Reserves and surplus	3	51,788,358	47,815,187
(c) Money received against share warrants		-	-
2 Share application money pending allotment		-	-
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	4	3,089,826	2,013,618
(d) Short-term provisions	5	578,678	69,025
TOTAL		55,456,861	49,897,830
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible Assets	6	20,219	192,955
Intangible Assets		-	-
Capital Work - in - Progress		-	-
Intangible Assets under development		-	-
(b) Non-current investments	7	19,067,240	43,038,604
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets	8	120,000	-
2 Current assets			
(a) Current investments	9	24,150,000	-
(b) Inventories		-	-
(c) Trade receivables	10	-	69,802
(d) Cash and cash equivalents	11	4,458,446	2,401,371
(e) Short-term loans and advances	12	989,513	1,708,071
(f) Other current assets	13	6,651,445	2,530,157
TOTAL		55,456,861	49,940,959
Notes forming Integral part of accounts	1-26		
As per our report of even date attached			
For SHARAD & ASSOCIATES Chartered Accountants Firm Reg.No.0063775  SHARAD SINHA Partner M. No 202692 Hyderabad, dated this 16th December, 2013		For and on behalf of the Board  President	 Vice-President


INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

Statement of Income & Expenditure For The Year Ended March 31, 2012

Particulars	Note No	2011-12	2010-11
I. Revenue from operations	14	7,258,127	5,196,610
II. Other income	15	82,651	2,557,359
III. Total Revenue		7,340,778	7,753,969
IV. Expenses:			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee benefits expense	16	797,059	316,922
Operation and Other Expenses	17	4,233,237	5,115,655
Finance Costs	18	8,774	10,986
Depreciation and amortization expense	6	7,295	31,347
V. Total expenses		5,046,365	5,474,910
VI. Surplus before exceptional and extraordinary items and tax (III-IV)		2,294,413	2,279,059
VII. Exceptional items		213,503	-
VIII. Surplus before extraordinary items and tax (V - VI)		2,080,910	2,279,059
IX. Extraordinary Items		-	-
X Surplus before tax (VII- VIII)		2,080,910	2,279,059
XI Tax expense:			
(1) Current tax		678,486	-
(2) Deferred tax		-	-
XII Surplus (Defecit) for the period from continuing operations (VII-VIII)		1,402,424	2,279,059
XIII Surplus/(Deficit) from discontinuing operations		-	-
XIV Tax expense of discontinuing operations		-	-
XV Surplus/(Defecit) from Discontinuing operations (after tax) (XII-XIII)		-	-
XVI Surplus (Defecit) for the period (XI + XIV)		1,402,424	2,279,059
Notes forming Integral part of accounts	1-26		

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

for SHARAD & ASSOCIATES
Chartered Accountants
Firm reg.No. 0063775


SHARAD SINHA
Partner

M. No 202692

Hyderabad, dated this 16th December, 2013



For and on Behalf of Board of Directors



President



Vice-President

Notes to financial statements for the year ending 31st March, 2012

1. Company Overview

The Indian Institute of Insurance Surveyors and Loss Assessors (Institute) was incorporated on 01.10.2005 under section 25 of Companies Act, 1956 and was promoted by Insurance Regulatory and Development Authority (IRDA). The first elected council (Board of directors) consisting of President, Vice-President, Secretary and Treasurer was formed on 15.12.2007. The Institute has been incorporated to regulate the profession of the Surveyors and Loss Assessors through education and training and to promote the profession amongst its members by upgrading their skills and knowledge as also to impart education and training to the aspirant Insurance Surveyors. The Institute has 5,700 (approx.) members across India through four zones and various chapters.

The Current Board of the Institute comprises of the following Following are the office bearers as on the date of the Balance Sheet

President	: Mr. Sunil Vora
Vice President	: Mr. Sanjay Surpuriya
Council Member	: Mr. J.P.Singh
Council Member	: Mr. Lalit Gupta

The accounts for the year has been presented by the current Board.

The accounts for the period 2011-12 could not be audited earlier as the previous auditors M/s. N.C.Mittal & Co, New Delhi, delayed in sending in their consent to the change in auditors that had been proposed in the last AGM of the Institute held on February 2,2013. Following protracted and vigorous follow up, the consent was received by the Current Auditors, only on October 28,2013 .

2) SIGNIFICANT ACCOUNTING POLICIES

a. Change in accounting policy

Presentation and disclosure of financial statements

During the year ended March 31 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Institute, for preparation and presentation of its financial statements. It has significant impact on presentation and disclosures made in the financial statements.

Further, the Current Board considered it appropriate to earmark funds for the pursuit of the primary objectives of the Institute in terms of the infrastructure such as the Head Office premises; the Regional Offices, Web and Location based Education and Training , Research, Setting up standards of practice and so on . Accordingly, specific reserves have been created from the free reserves of the Corpus.

In this regard, it has also been considered appropriate that Fixed Deposits representing these funds be placed with strong Banks. Interest earned on such deposits has been accumulated under the respective Reserves rather than the Income and Expenditure Account.

b. Basis of preparation

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

c. Use of estimates

The preparation of financial statements require the management of the company to make estimates and assumptions that effect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates. Any revision to accounting estimate is recognized prospectively in the current and future periods.

d. Revenue recognition

The company follows the accrual system of accounting for recognizing expenditure and recognizing Subscription and Interest Income on Fixed Deposits with Banks. Subscription Income is recognised as Income when it is certain that such subscription fee would be certainly be collected. Accordingly, there has been a change in the accounting policy during the year, to recognize Subscription Income an accrual basis as compared with that of the earlier years.

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.

e. 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.

f. Depreciation

Depreciation on fixed assets is normally provided on straight line method as per classification and on the basis of Schedule XIV of the companies Act, 1956. However in respect of assets costing Rs.5000 or below depreciation is provided at 100% leaving Re.1/- for control purpose.

g. 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.

h. 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.

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

3 - RESERVES & SURPLUS

Particulars	As at March 31, 2012	As at March 31, 2011
a Corpus Fund		
Opening balance	2,80,68,000	2,74,53,000
(+) Corpus fund portion transfered from Surplus	1,32,07,010	-
(+) Interest income from Earmarked Investments	21,95,746	-
Sub Total	4,34,70,756	2,74,53,000
(+) Admission Fee Collection in current year	3,75,000	6,15,000
Sub Total	4,38,45,756	2,80,68,000
(-) Allocation to Building Fund	1,50,00,000	-
(-) Allocation to Training & Education Fund	1,50,00,000	-
(-) Allocation to Research Fund	1,00,00,000	-
Total	38,45,756	2,80,68,000
b. Building Fund		
Opening balance	-	-
(+) Funds allocated from Corpus Fund	1,50,00,000	-
Sub total	1,50,00,000	
c. Training & Education Fund		
Opening balance	-	-
(+) Funds allocated from Corpus Fund	1,50,00,000	-
Sub total	1,50,00,000	
d. Research Fund		
Opening balance	-	-
(+) Funds allocated from Corpus Fund	1,00,00,000	-
Sub total	1,00,00,000	-
e. Surplus		
Opening balance	1,97,47,187	1,74,68,128
(-) Funds Transferred to Corpus Fund	-1,32,07,010	-

(-) Excess of income over expenses for the current year	14,02,424	22,79,059
Sub Total	79,42,601	1,97,47,187
Closing Balance	5,17,88,358	4,78,15,187

c)The Corpus Fund constitutes the one time admission fees collected from members.

d)There have been un-reconciled balances with respect to admission fees remitted by applicants during the previous accounting periods . These balances have been carried forward and remain to be traced to applicants on account of the member forms and other data of such remittances tendered by applicants not being available. A sum of Rs: 14,69,700.00 received as remittances from members in the past period, remains to be appropriated to the Corpus Funds as at the date of the Balance Sheet.

e) The Corpus Funds had remained as free funds of the Institute. In order to allocate the free funds to meet the prime objectives of the Institute, specific reserves have been created from the free funds and monies representing these specific reserves have been invested in Fixed Deposits. Interest earned on the allocated funds invested in Fixed deposits have been taken to the credit of the respective Heads of Reserves. This represents a change from the earlier accounting practise under which the interest earned on fixed deposits was shown to the credit of the Income and Expenditure Account. Consequently, a sum of Rs:1,32,07,010.00 from the accumulated free reserves has been appropriated from the Corpus Funds to the specific Heads of Reserves.

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

4 - OTHER CURRENT LIABILITIES

<u>Particulars</u>	As at March 31, 2012	As at March 31, 2011
Unappropriated Admission and Membership Fees	14,69,700	14,69,700
TDS Payable	-	5,259
Liabilities for expenses	8,21,742	25,938
Suspense	-	4,50,000
Past and Present Directors		
Jagdish parmar	-	25,000
J L Tikku	-	2,127
Ashok Kumar	2,55,333	35,594
Lalit gupta	74,153	-
D Chandrashekar Raju	9,676	-
R K Elango	3,12,192	-
Sanjay Supriya	26,962	-
Sunil Vora	63,834	-
Rakesh Soni	37,684	-
S K Agarwal	18,550	-
Total	30,89,826	20,13,618

a) The directors and council members are reimbursed for travel expenses incurred with respect to travel undertaken for the administrative purposes of the Institute. A sum of Rs:7,98,384 (Previous year Rs:62,721) is payable to the past and present directors against such travel undertaken.

b) The un-appropriated balance of Admission Fees and Membership Fees of Rs:14,69,700 continues to be carried forward from the previous periods as data on such remittances tendered by applicants is not traceable or available with the Institute.

c) A receipt of Rs:4,50,000(Previous Year: Rs.4,50,000) held under Suspense has been traced to remittances received from the Punjab Chapter against collections made by the Chapter from participants to a Seminar held during the period 2010-2011. In this respect, in spite of various reminders, details, bills, invoices and vouchers, for a sum of Rs:83,390 reportedly expended by the Punjab Chapter for the aforesaid seminar, remains to be received from the Punjab Chapter. The Board has instituted an inquiry in the matter.

5 - SHORT TERM PROVISIONS

<u>Particulars</u>	As at March 31, 2012	As at March 31, 2011
(a) Audit fee Payable	1,15,093	69,025
(b) Provision for Income Tax	4,63,585	-
Total	5,78,678	69,025.00

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

6 - FIXED ASSETS

	Fixed Assets	Gross Block						Accumulated Depreciation				Net Block	
		As at April 1, 2011	Additions	Deletions/ Adjustments	Acquired through business combinations	Translation exchange difference	As at March 31st, 2012	As at April 1, 2011	Depreciation charge for the year	Translation exchange difference	Deletions/ Adjustments	As at March 31, 2012	As at March 31, 2011
a	Tangible Assets												
	Furniture and Fixtures	18,500	-	18,500.00	-	-	-	2,601.00	-	-	2,601.00	-	15,899
	Office equipment	2,12,914	-	1,67,914.00	-	-	45,000	64,097.00	7,295	-	46,611.00	20,219	1,48,817
	Airconditioners	14,300	-	14,300.00	-	-	-	1,011.00	-	-	1,011.00	-	13,289
	Mobile	19,468	-	19,468.00	-	-	-	4,518.00	-	-	4,518.00	-	14,950
	Total	2,65,182	0	2,20,182	0	0	45,000	72,227	7,295	0	54,741	20,219	1,92,955
	Grand Total previous year	1,59,709	1,05,473	-	-	-	2,65,182	40,881	31,347	-	-	1,92,954	1,18,828

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

7 - NON CURRENT INVESTMENTS

Particulars	As at March 31, 2012	As at March 31, 2011
a. Secured, considered good		
Ear Marked Investments	1,75,00,010	4,16,50,010
Interest Accrued on Ear Marked Investments	15,67,230	13,88,594
Total	1,90,67,239.76	4,30,38,604.00

c. Details of Ear Marked Investments

Particulars	As at March 31, 2012	As at March 31, 2011
UNION BANK OF INDIA		
Fixed deposit - ROI, Maturity Date	1,25,00,000	1,25,00,000
Interest Accrued on Fixed deposit	10,24,392	79,838

SYNDICATE BANK		
Fixed deposit - ROI, Maturity Date	50,00,010	50,00,010
Interest Accrued on Fixed deposit	5,42,838	4,58,366

ICICI BANK		
Fixed deposit - ROI, Maturity Date	-	2,41,50,000
Interest Accrued on Fixed deposit	-	8,50,390

8 - OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2012	As at March 31, 2011
a. Unsecured, considered good		
Rent Deposit	1,20,000	-
Less: Provision	-	-
Total	1,20,000.00	-

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

9 - Current Investments

Particulars	As at March 31, 2012	As at March 31, 2011
Ear Marked Investments - Fixed deposits with maturity less than 12 months with ICICI Bank - ROI Maturity date	24150000	0
Total	24150000	0

10 - Trade Receivable

Particulars	As at March 31, 2012	As at March 31, 2011
a. Unsecured, Considered good		
More than 6 Months	0	69802
Less than 6 months	0	0
Total	0	69802
b. It is observed from the audited Accounts of 2009-10 that Provident Fund has been deducted from the salary of Mumbai staff at Mumbai and monthly contribution has been issued in name of "IISA". As no monthly PF/PPF challans paid have been produced before the auditors for the year 2009-10, the net amount paid of Rs. 34,889/- has been shown in account of "IISA" under the head trade receivable. This amount has been charged off to Employee cost during the year.		

11 - CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2012	As at March 31, 2011
a. Cash and Cash Equivalents		
(i) Balances with banks		
In Savings Accounts	4415317	2329853
(ii) Cash on hand	0	28389
(iii) Bank Balances in Other Accounts	43129	43129
Total	4458446	2401371

12 - SHORT TERM LOANS & ADVANCES

Particulars	As at March 31, 2012	As at March 31, 2011
a. Unsecured, Considered good		
Loans & Advances to related parties	272237	299604
Loans & Advances to Zones/Chapters	428526	1148017
Other Loans & Advances	288750	260450
Less: Provision	0	0
Total	989513	1708071

b. Loans & advances to related parties includes

Particulars	As at March 31, 2012	As at March 31, 2011
(i) Unsecured		
Directors	0	21759
Past Directors of the Company	272237	277845
Less: Provision	0	0
Total	272237	299604
c. Funds paid to or vested with the past directors in the previous accounting periods or in the current 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. The Board has taken fresh initiatives to obtain the details with respect to the application of these funds or to recover these funds.		

13 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2012	As at March 31, 2011
Interest Accrued on fixed deposits	1755473	0
TDS Receivable 2010-11	173118	223371
Prepaid Insurance	0	670080
Building Advance	0	1636706
Subscription receivable	4722854	0
Total	6651445	2530157

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

14 - REVENUE FROM OPERATIONS

Particulars	2011-12	2010-11
Subscription Fee	64,12,500	51,96,610
Seminar fee	8,45,627	-
Total	72,58,127	51,96,610

15 - OTHER INCOME

Particulars	2011-12	2010-11
Interest Income		
Interest from bank deposits	22,78,397	25,55,527
Other income	-	1,832
Sub total	22,78,397	25,57,359
less: Interest from Earmarked investment transfer to corpus fund	21,95,746	-
Total	82,651	25,57,359

Details of Interest Income

Particulars	As at March 31, 2012	As at March 31, 2011
Union Bank Of India	10,49,504	88,709
Tds on above	1,04,950	8,871
ICICI Bank	10,05,648	17,44,842
Tds on above	1,00,565	1,28,540
Syndicate Bank	93,857	6,62,571
Tds on above	9,385	35,707
Interest from saving bank	1,29,388	61,237

16 - EMPLOYEE BENEFIT EXPENSE

Particulars	2011-12	2010-11
Salaries and incentives	7,25,059	3,16,922
Gratuity	72,000	-
Total	7,97,059	3,16,922

17 - OPERATION & OTHER EXPENSES

a.

Particulars	2011-12	2010-11
Administrative Office Rent	2,04,000	1,32,162
Repairs & Maintenance		
- Office Equipments	40,624	1,17,924
- Office	46,276	1,32,637
Rates & Taxes	25,079	34,789
Workshops, Seminars & Training Expenses	12,97,224	11,95,783
Insurance Premium for members PA Group Insurance	6,70,080	6,61,175
Telephone & Communication Expenses	72,172	82,133
Travelling Exp	8,51,218	10,01,741

Election Expenses	16,938	1,51,359
Electricity & water Expenses	9,269	29,862
AGM Expenses	2,50,000	-
Legal Exp	4,49,070	60,000
General & Misc Expenses	13,676	8,339
Postage & Courier	1,19,981	3,52,540
Printing & Stationery	1,12,516	3,85,254
Professional Charges	8,213	1,67,543
Taxes of Previous Years	-	5,64,389
Interest on Tds	833	-
Total	41,87,169	50,77,630

Travelling expenses are reimbursed to the members of the Board on the basis of vouchers submitted by them and approved by the Board. A sum of Rs:4,40,672 represents the amount which had been expended by the members of the Board during the accounting period and which were yet to be reimbursed as at the date of the Balance Sheet. These were subsequently paid.

b. Payment to Auditors

Particulars	2011-12	2010-11
Payments to the auditor as auditor for Service tax on audit fee,	41,000 5,068	31,000 7,025
Total	46,068	38,025

Service tax on audit fee is Rs. 5068, previous year Rs. 7025 which includes services tax of Rs 3193 pertaining to year 2009-10

Grand Total (a+b)	42,33,237	51,15,655
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18 - FINANCE COSTS

Particulars	2011-12	2010-11
Bank Charges	8,774	10,986
Total	8,774	10,986.00

19. In spite of many requests and initiatives, the previous office bearers in chair till February 2011, failed to hand over the accounts, records, documents and funds in their possession and custody to the 4th council constituted on March 11, 2011. The Institutes bank accounts with the ICICI Bank Vasna had also been frozen on a complaint made by the said office bearers.

Under the directives of the High Court, Ahmedabad pronounced on July 24, 2012, the IRDA had been empowered to take possession of all the records of the Institute said to have been retained by the previous office bearers at the Administrative Office at Ahmedabad. Unfortunately, several important records and documents (including the Fixed Deposit Receipts) were missing from the administrative office and could not be recovered in entirety.

The accounts for the period under audit have been drawn up based on such records and documents as had been recovered by the IRDA and possessed by the Institute from the IRDA. 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 drawn up for the year in consequence of absence of or on account of inadequacy of vouchers, bills, invoices or other supporting data. The board is however confident that in spite of the possibility of some errors in accounting expenses under appropriate heads, the accounts do not distort from presenting a true and fair picture of the state of the financial affairs of the Institute and that the accounts presented are free from any material misstatements.

24,2012. The receipts for annual subscriptions received from members had not been appropriately recorded and were incomplete. As such there is a possibility of some errors in the subsequent recording by the administration. The reconciliation thereof, as at the date of the balance sheet, was under progress. This has since been completed. There could be similar errors in the recordings of participant fees in workshops and seminars; and with respect to the record of participants at such workshops and seminars.

Also, a consolidated Register of Members was not recovered and available with the Board. This Register of members had to be reconstructed. There is thus, the possibility of some errors having crept into the recording of member dues. Every endeavour is being made to rectify these errors as and when pointed out by the members who have reverted.

21. Exceptional items include write offs of old balances under receivables/ advances or of discarded and/or untraceable office appliances.

22. A sum of Rs:66,053 debited to the account of the Past President Mr. Iqbal Tada, represents cash balances as at 31st March, 2012, appliances and equipment in the personal custody of the erstwhile Past President, which have not been handed over to or recovered by the administration of the Institute and remain to be recovered.

23. 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.

The Board's application with the Tax Authorities for exemption under Section 80G of the Income Tax Act has not been approved on accounts of the delays in filing of accounts, various compliances under the Companies Act and the failure to apply its income for the primary objectives of the Institute.

24. 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. Unfortunately, except for a few of the Zones and Chapters, most have failed to submit any accounts. Consequently, the accounts of the Institute as presented, do not include transactions, receipts, payments and of Assets and Liabilities of the Zones/Chapters/Units under Audit. This was also true of the previous accounting year.

25. Subject to above, various items in the Balance Sheets have the value (as on March 31, 2012) equal to balances at which they are shown in the balance-sheet, statement of Income & Expenditure and its notes.

26. Previous Figures are regrouped & rearranged so as to make them comparable with that of the current year where ever considered necessary more so in the light of first time application of new revised schedule VI.

As per our report of even date attached

for SHARAD & ASSOCIATES
Chartered Accountants
Firm reg.No. 0063775

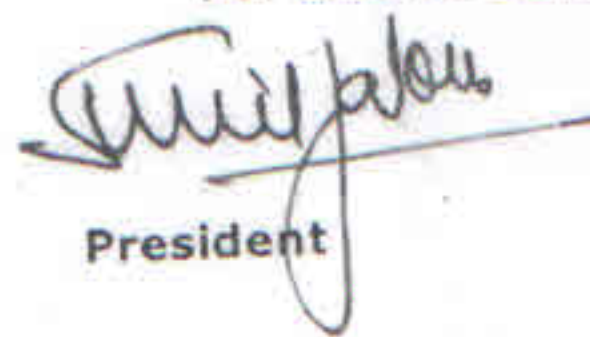


SHARAD SINHA
Partner
M. No

Hyderabad, dated this 16th Dec 2013



For and on behalf of the Board


President


Vice-President