



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

Head Office:-315,Paras Chambers,D.No.-3-5-890,HimayatNagar, Hyderabad-500029(A.P)
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NOTICE OF THE 6th ANNUAL GENERAL MEETING

Notice is hereby given that the SIXTH ANNUAL GENERAL MEETING of INDIAN INSTITUTE OF INSURANCE SUVEYORS & LOSS ASSESSORS will be held on Tuesday the 30th December, 2014, at 10.30 A.M. at "Family World" Recreation Club , Adjacent to Old AirPort Exit Road, Behind Hotel Manohar (Ramada), Begumpet, Hyderabad,Telangana to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Income & Expenditure for the year ended 31st March, 2014 the Audited Balance Sheet as at that date and the Director's and Auditors report thereon.

2. Appointment of Auditors

To consider and if thought fit to pass with or without modification (s) the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, Sharad & Associates, Chartered Accountants (Firm Registration No.006377S), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Eleventh AGM of the Company to be held in the year 2019 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

BY ORDER OF THE BOARD

SUDHA RAMANUJAM

Nominee Director

Hyderabad, dated this

5th day of December, 2014

OUR MEMBERS:

With pride in ourselves, we will respect one another and share our knowledge, information and experiences .

We will upgrade our skills and capabilities, enhance our will to transform the way we work

We will be accountable to ourselves for our performance and will contribute to delivery to the Policy Holder .

Directors' report

Your Directors are pleased to present the Annual Report of the Institute for the year 2013-14 :

Year at a Glance

The year 2013-14 has been more vibrant as many activities and new initiatives were taken by the Council for the betterment of the organisation such as

Recruitment:

A total of 8 employees were recruited as fulltime employees three in the Managerial cadre (Admin, Accounts and IT) and others as support staff for the efficient functioning of the office and to provide value added services to the members. HR policies were streamlined the with regard to appointment, payment of salaries, leave of employees etc.

Infrastructure and Setup:

With all the records dumped from Ahmedabad office into the new office in Hyderabad there were lot of constraints for provision of space. However in the month of Dec, 2013 there was an opportunity of getting fully furnished additional premises in the precincts and it was taken on rent without any delay at a reasonable rent. The infrastructure such as systems, software and amenities were put in place for the efficient functioning of the office.

Operations:

A total of 946 new memberships and 136 student memberships were issued in the year and 398 members have been upgraded from Associate members to Fellow members. The gist of activities with regard to operations is as below.

Membership Details upto the year 2013-14				
Description	Licentiate	Associate	Fellow	Total
Total Members as on 01.04.2013	466	4220	2307	6993
New Members added during the year(Add)	412	534	0	946
Members upgraded to Fellow in 2013-14		-398	398	0
Total Members as on 31.03.2014	878	4356	2705	7939

Student Membership Details	
No. of Student Members as no 01.04.2013	0
Student Members added during the year 2013-14	136
Total No. of Student Members as on 31.03.2014	136

Member Services	
Updation of Records such as Mail ID/Phone no. Change in address in No's	1650
Issuance of ID Cards and Certificates to Members in No's	1320

The Admin Office has time and again called upon the members to update their Mobile No's and Email ID's and also to notify any changes in address so that necessary updations can be made for maintaining upto date details of the records. It may be observed that close to 1650 updations have been carried out and as per the records available still close to 1000 member records are to be updated. It was decided to provide login ID's and also Passwords to all the members to enable them to view their profile and also to update any changes in the personal information of the member. The prime requirement for any such activity is the correctness of the records especially with regard to the mail id and phone no's which are available as per the records.

The test run of providing Login ID's and passwords to the members has been completed and will be implemented for all the members in due course of time in phased manner.

Information Technology initiatives:

A well designed Website of IISLA was put on 'live' for access to all the members and to share information related to the institute. Updation of

website is a continuous process and necessary modifications will be made as and when necessary, based on the requirements.

A separate module for accounts for generation of unique receipt number both for admission as well as subscriptions has been implemented and receipts generated were send to the registered Email ID's of the members dispensing with the earlier practice of issuance of manual receipts.

A module for upgradation from Associate Membership to Fellow membership has been developed and hence details of any member who is upgraded will be instantly updated in the records.

A module for all other activities such as inwards, outwards, nomination for GPA Policy, several activities is developed which help us in generation of various MIS which will help us in improving the member services.

Members Welfare:

A Group Personal Accident policy has been taken for the benefit of all the members. The details of the policy were made available on the website and necessary guidance and the Admin Office will extend its support and guide as when the need arises.

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. Keeping in this in view, as many as 17 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 /Seminar/Workshop sessions conducted during the year-2013-14					
S.No.	Date	Duration	Conducted by	at Place	Topic
1	17-08-2013	One day	UP Chapter	Lucknow	Motor & Non Motor- Technical
2	14-09-2013	One day	Uttarakhand Chapter	Mathura	Motor & Engg- Technical
3	27th & 29-09- 2013	Two days	Haryana Chapter	Faridabad	Motor & Marine(Cargo)- Technical, Seminar
4	19-10-2013	One day	Maharashtra Chapter	Pune	Motor- Technical
5	21-10-2013	One day	UP Chapter	Khalilabad	Motor & Miscellaneous - Technical
6	25th & 26-10- 2013	Two days	Assam Chapter	Guwahati	Motor & Marine(Cargo)- Technical, Seminar
7	8th,9th,10-11- 2013	Three Days	Kerala Chapter	Kozhikode	Motor Training & Seminar
8	17-11-2013	One day	Odisha Chapter	Sambalpur	Engg- Technical & Seminar
9	24-11-2013	One day	UP Chapter	Ghaziabad	Motor - Technical
10	14-12-2013	One day	Maharashtra Chapter	Mumbai	Motor - Technical & Training
11	21-12-2013	One day	UP Chapter	Kanpur	Motor - Technical
12	10th & 12-01- 2014	Three days	Jharkhand Chapter	Bokaro	Motor & Engg- Training
13	18-01-2014	One day	Rajasthan Chapter	Jaipur	Motor- Technical
14	25th & 26-01- 2014	Two days	Maharashtra Chapter	Pune	Marine & Motor- Technical
15	15th & 16-02- 2014	Two days	Maharashtra Chapter	Nagpur	CPD
16	22nd & 23-02- 2014	Two days	UP Chapter	Allahabad	TL/CTL Motor Claim
17	08-03-2014	One day	UP &Uttarakhand Chapter	Bareilly	Motor & Engg- Technical

Employee Performance Assessment:

All the employees in the Admin Office has a specific job role and also are capable of undertaking of any activity depending upon the circumstances and contingencies. Several parameters and metrics are put in place to measure their performance over a period of time both qualitatively and also quantitatively. The Standard Operating Procedures (SOP) to be followed, the Turn Around Time (TAT) in completion of a particular activity, the

response time for attending a query, resolution of the query etc are some of the metrics for assessment of the performance of the employees. Training sessions for employees are conducting to create a sense of oneness and belongingness toward the organisation which will help them in putting up better performance thereby providing even better services to the members.

Directors:

Elected Directors Mr Sunil Vora, Mr.Sanjay Surpuria , Mr. Jitender Prasad Sing and Mr Lalit Gupta demitted their offices as Directors wef 11.03.2014 following completion of their term. Nominee Directors of the Institute had been thus managing the affairs of the Institute since then.

Accounts and Financials:

The Audited Accounts for the year 2013-14 are placed before the AGM. The snippet view of the Financials is as under;

Particulars	2013-14 (in INR)	2012-13 (in INR)
Subscription Fee	2,11,21,458.00	69,34,466.00
Seminar Fee	34,42,910.00	7,71,300.00
Bank Interest	81,86,915.00	48,72,493.00
Seminar/Workshop Expenses	41,04,101.00	15,85,693.00
Administrative Expenses	49,49,255.00	26,57,410.00
Taxes Paid/Provided	27,80,124.00	11,50,452.00
Corpus Fund	1,23,17,210.00	38,39,710.00
Earmarked Fund*	6,86,04,483.00	4,59,18,891.00
Accumulated Reserves	2,84,87,293.00	1,06,72,700.00

The institute was continuously following up with the Union Bank of India, Vasna and Syndicate Bank, Mumbai for the transfer of Fixed Deposits for which the original Fixed Deposit Receipts are not available. (Recently both of them have been transferred to our account at Hyderabad after persistent efforts by Admin Office).

Other activities:

The earlier AGM was conducted on 1st March, 2014 and the accounts of 2011-12 and 2012-13 have been adopted by the AGM.

Notification of Zonal and chapter elections was issued which was to be conducted by an independent authority.

AUDITOR'S REPORT

The note referred to by the Auditors in their Report is self-explanatory and hence does not require any further explanation. However with respect to their adverse/qualified and disclaimer opinion, following submissions may please be considered:

1. Institute will organise the process of obtaining and incorporating Zonal/Chapter accounts once the full board of elected council members is in place.

2. Comments of the auditors regarding photocopies of the bills will be resolved by seeking originals from the Directors/Chapters and Zones

PARTICULARS OF EMPLOYEES

None of the employees of the Institute is in receipt of remuneration of more than Rupees Sixty lakhs per annum or Rupees Five lakh per month where the employment is for a part of the financial year, and as such the list of employees as contemplated under section 217(2A) of the Companies Act, 1956 is not enclosed to this report.

AUDITORS

The tenure of the Present Auditors Messers **SHARAD & ASSOCIATES**, Chartered Accountants, will expire with the conclusion of the ensuing Annual General Meeting of the Company. The Company has received consent from the auditors that they are eligible for re-appointment in terms of Section 139 of the Companies Act, 2013. Your directors draw attention to the amendments brought about by the new Act which specifies that the

Auditors shall be appointed for a term of 5 years subject of course to ratification in each subsequent AGM. Your Directors recommend re-appointment of M/s Sharad & Associates, Chartered Accountants.

REPORT ABOUT CONSERVATION OF ENERGY/TECHNOLOGY
ABSORPTION/FOREIGN EXCHANGE EARNINGS AND OUTGO

These issues of conservation of energy and technology absorption are hardly of any significance for the Institute and also there has been no foreign exchange earnings or outgo during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirement under section 217(2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statement, it is hereby confirmed.

(i) That the preparation of accounts for the financial year ended on 31st March 2014, the applicable accounting standards have been followed along with proper explanation relating to material departure.

(ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true & fair view of the statement of affairs of the company at the end of the financial year under review.

(iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(iv) That the Directors have prepared the annual accounts for the year under review on a Going Concern basis.

ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and co-operation extended by banks, local authorities and members of the Institute.

Your Directors wish to place on record their appreciation for the contribution made by the employees at all levels for the successful operations of the Institute during the year.

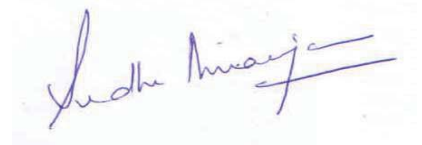
On Behalf of the Board

Hyderabad, dated this
5th day of December, 2014



M.Ramaprasad

Nominee Director



Sudha Ramanujam

Nominee Director

Name of Company	INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS
Current year Ending	As at March 31, 2014
Previous Year Ending	As at March 31, 2013
Current Period	2013-14
Previous Period	2012-13
Status	Company
Date of Incorporation	04.10.2005
PAN	AABC15700M
Address	3 RD 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 financial statements of INDIAN INSTITUTE OF INSURANCE SURVEYOR AND LOSS ASSESSOR [Company/Institute], which comprise of balance sheet as at 31st March 2014 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. The Company's 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 Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. 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 the 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 No.19 where it is mentioned that the transactions pertaining to all the chapters/zones of the Institute have not been incorporated in the accounts of the Institute, thereby the effect of which on the Assets, Liabilities and surplus could not be ascertained.*
7. *On verification of the travelling expenses and seminar expenses of the chapters we observed few photocopies of the bills/supportings were considered for accounting of expenses, the impact of the same on the surplus for the reporting could not be ascertained.*

Disclaimer Opinion

8. 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 Institute as at 31 March 2014, and
 - b. In the case of the statement of Income & Expenditure, of the Surplus for the year ended on that date,

Emphasis of Matter

9. Without qualifying our opinion, we draw attention to:

We draw attention to Note No. 11 regarding the subscription fees of the prior periods been recognized in the accounts of the reporting period.

Report on other legal and regulatory requirements

10. 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.

As required by section 227(3) of the Companies Act, 1956, 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 *however proper returns adequate for the purposes of our audit have not been received from Chapters/Zones/Units of the Institute*;

(c) 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 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, 2014 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. 06377S



A handwritten signature in blue ink, appearing to read "S. Sinha".

SHARAD SINHA
Partner
M. No: 202692

Hyderabad, dated this
5th day of December, 2014

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

Balance Sheet as at March 31, 2014

Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital		-	-
(b) Reserves and surplus	3	10,94,08,986	6,04,31,299
(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	9,75,164	3,77,266
(d) Short-term provisions	5	46,94,750	19,59,988
TOTAL		11,50,78,899	6,27,68,553
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible Assets	6	6,00,749	86,325
Intangible Assets		1,34,096	-
Capital Work - in - Progress		-	-
Intangible Assets under development		1,92,841	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets	7	1,65,000	1,20,000
2 Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	8	9,88,37,490	5,89,93,023
(e) Short-term loans and advances	9	12,12,972	12,12,972
(f) Other current assets	10	1,39,35,751	23,56,233
TOTAL		11,50,78,899	6,27,68,553
Notes forming Integral part of accounts	1-20		

As per our report of even date attached

For SHARAD & ASSOCIATES
Chartered Accountants
Firm Reg.No.006377S



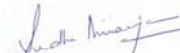
SHARAD SINHA
Partner
M. No 202692



For and on behalf of the Board



Nominee Director



Nominee Director

Hyderabad, dated this 5th day of December 2014

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, 2014

Particulars	Note No	2013-14	2012-13
I. Revenue from operations	11	2,50,49,868	77,05,766
II. Other income	12	55,01,323	11,49,348
III. Total Revenue		3,05,51,191	88,55,114
IV. Expenses:			
Employee benefits expense	13	8,06,423	7,17,687
Operation and Other Expenses	14	78,41,546	42,43,104
Finance Costs	15	3,562	2,281
Depreciation and amortization expense	6	93,133	14,994
V. Total expenses		87,44,664	49,78,066
VI. Surplus before exceptional and extraordinary items and tax (III-IV)		2,18,06,527	38,77,048
VII. Exceptional items	20	12,11,810	-
VIII. Surplus before extraordinary items and tax (V - VI)		2,05,94,717	38,77,048
IX. Extraordinary Items		-	-
X Surplus before tax (VII- VIII)		2,05,94,717	38,77,048
XI Tax expense:			
(1) Current tax		27,80,124	11,50,452
(2) Deferred tax		-	-
XII Surplus (Defecit) for the period from continuing operations (VII-VIII)		1,78,14,593	27,26,596
XIII Surplus/(Defecit) 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)		1,78,14,593	27,26,596
Notes forming Integral part of accounts	1-20		

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



For and on Behalf of Board of Directors



Nominee Director Nominee Director

Hyderabad, dated this 5th day of December 2014

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 and was promoted by Insurance Regulatory and Development Authority (IRDA). The first elected council (Board of directors) consisting of President, Vice-President, Secretary and Treasurer was formed on 15.12.2007. The Institute has been incorporated to regulate the profession of the surveyors and Loss Assessors through education and training and to promote the profession amongst its members by upgrading their skills and knowledge as also to impart education and training to the aspirant Insurance Surveyors. The Institute presently caters to 8120 members across India through four zones and various chapters and 310 Student Members. There are no office bearers as at the balance sheet since elected council member's term has expired and the affairs are being managed by the nominee directors

2. Basis of preparation

The financial statements are prepared under the historical cost convention on accrual basis, in accordance with Indian Generally Accepted Accounting Principles ("GAAP") and mandatory accounting standards as prescribed in the Companies (Accounting Standard) Rules, 2006 the provision of the Companies Act, 1956. Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto 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 estimates of expected contract costs to be incurred to complete contracts, provision for doubtful debts, further obligations under employee retirement benefit plans and estimated useful life of fixed assets actual results could differ from these estimates. Any changes in estimates are adjusted prospectively.

ii) Revenue Recognition

The Institute follows the Accrual system of accounting for recognizing expenditure and recognizing Subscription Fee and Interest Income on Fixed Deposits with Banks.

The amounts collected from the members on application towards Admission fees forms part of corpus Fund and Annual Membership subscription have been accounted as subscription. Amount collected from members towards seminar fees and the related expenses are reported as respective income and expense. Interest earned on earmarked investments (Bank Deposits) are credited directly to the Earmarked Funds.

iii) Fixed Assets

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

iv) Depreciation

Depreciation on Fixed Assets is provided under the 'Straight Line Method' on 95% original cost of assets at the rates as derived under Schedule II of the Companies Act, 2013. There is a change in accounting estimate in this regard the details whereof is disclosed in Note 6

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) 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.

3 - RESERVES & SURPLUS

Particulars	As at March 31, 2014	As at March 31, 2013
a. Corpus Fund		
Opening balance	38,39,710	16,50,010
(+) Unappropriated Admission & Membership Fee	-	14,69,700
(+) Admission Fee Collection in current year	2,84,77,500	7,20,000
(-) Allocation to Building Fund	(8000000)	-
(-) Allocation to Training & Education Fund	(8000000)	-
(-) Allocation to Research Fund	(4000000)	-
Sub Total	1,23,17,210	38,39,710
b. Building Fund		
Opening balance	1,72,19,584	1,58,23,405
(+) Funds allocated during the year	80,00,000	-
(+) Interest on the above Funds	13,52,947	13,96,179
Sub total	2,65,72,531	1,72,19,584
c. Training & Education Fund		
Opening balance	1,72,19,584	1,58,23,405
(+) Funds allocated during the year	80,00,000	-
(+) Interest on the above Funds	6,27,183	13,96,179
Sub total	2,58,46,767	1,72,19,584
d. Research Fund		
Opening balance	1,14,79,723	1,05,48,937
(+) Funds allocated during the year	40,00,000	-
(+) Interest on the above Funds	7,05,462	9,30,786
Sub total	1,61,85,185	1,14,79,723
e. Surplus		
Opening balance	1,06,72,700	79,46,102
(-) Funds Transferred to Specific Fund	0	0
(+) Excess of income over expenses for the current year	1,78,14,593	27,26,596
Sub Total	2,84,87,293	1,06,72,698
Closing Balance	10,94,08,986	6,04,31,299
f. Corpus funds represents admission collected and as decreased by funds allocated to earmarked funds		

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

4 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2014	As at March 31, 2013
Advance Members Subscription Fees	9,25,348	-
Past and Present Directors		
J P Singh	-	78,078
Ashok Kumar	49,816	92,480
Sanjay Supriya	-	63,782
Sunil Vora	-	66,154
Rakesh Soni	-	49,224
S K Agarwal	-	27,548
Total	9,75,164	3,77,266

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: 49816 (Previous year Rs. 377266) is payable to the past directors against such travel undertaken.

5 - SHORT TERM PROVISIONS

Particulars	As at March 31, 2014	As at March 31, 2013
(a) Audit fee Payable	91,112	1,46,920
(b) Liability for Expenses	15,96,169	5,55,686
(c) TDS Payable	10,012	15,660
(d) Other Statutory Liability Payable	44,958	-
(d) Provision for Income Tax	29,52,499	12,41,722
Total	46,94,750	19,59,988

e. Liability for expenses include Rs 631164 payable towards expenses incurred at various Zones/chapters of the institute which has not been approved by the council.

f. Liability for expenses include Rs 408000 payable as rent towards office hired at ahmedabad

g. Provision for Income tax includes Rs 864012 related to financial year 2007-08 which was paid in the month of May, 2014

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

6 - FIXED ASSETS

	Fixed Assets	Gross Block						Accumulated Depreciation				Net Block		
		As at April 1, 2013	Additions	Deletions/ Adjustments	Acquired through business combinations	Translation exchange difference	As at March 31st, 2014	As at April 1, 2013	Depreciation charge for the year	Translation exchange difference	Deletions/ Adjustments	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
a	Tangible Assets													
	Furniture and Fixtures	-	1,83,062	-	-	-	1,83,062	-	5,909	-	-	5,909.00	1,77,153	-
	Computers	1,26,100	2,96,630	-	-	-	2,96,630	-	66,646	-	39,775	1,06,421	1,90,209	-
	Office Equipment	-	1,07,933	1,26,100.00	-	-	1,07,933	39,775	7,698	-	39,775	7,698	1,00,235	86,325
	Electrical Installation	-	1,45,790	-	-	-	1,45,790	-	12,638	-	-	12,638	1,33,152	-
	Total	1,26,100	7,33,415	1,26,100	-	-	7,33,415	39,775	92,891	-	79,550	1,32,666	6,00,749	86,325
b	Intangible Assets													
	Software	-	1,38,270	-	-	-	1,38,270	-	4,174	-	-	4,174	1,34,096	-
	Total	-	1,38,270	-	-	-	1,38,270	-	4,174	-	-	4,174	1,34,096	-
c	Intangible Assets under Development	-	1,92,841	-	-	-	1,92,841	-	-	-	-	-	1,92,841	-
	Total	0	1,92,841	0	0	0	1,92,841	0	0	0	0	0	1,92,841	0
	Grand Total	1,26,100	10,64,526	1,26,100	0	0	10,64,526	39,775	97,065	0	79,550	1,36,840	9,27,686	86,325

Grand Total previous year	45,000	81,100	-	-	-	-	1,26,100	24,781	14,994	-	-	39,775	86,325	20,219
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d Balance as at April 1, 2014 pertaining to office equipment has been transferred to office equipment has been transferred to computers and IT equipments
 e Computers with original cost of Rs 45000 has been disclosed at nominal value of 5% on the original cost. As these computers are not in use, the same needs to be scrapped which requires the council approval

f One Computer is being used for purpose of the development of the intangible asset thus the depreciation of Rs 3932 has been capitalised to intangible assets under development after withdrawing from the computers

g The company had changed the basis of estimate in determining the useful life of the asset. The effect of such change resulted in excess charge of depreciation by Rs 37291. This change was brought about keeping in view of the substantial enactment of Companies Act, 2013 at the time of finalisation of these accounts

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

7 - OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good		
Rent Deposit	1,65,000	1,20,000
Less: Provision	-	-
Total	1,65,000	1,20,000

8 - CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2014	As at March 31, 2013
Cash and Cash Equivalents		
(i) Balances with banks		
In Savings Accounts	6437243	9051371
In Fixed deposits	32400000	49934403
In Earmarked Fixed deposits	60000000	0
(ii) Cash on hand	247	7250
(iii) Bank Balances in Other Accounts	0	0
Total	98837490	58993024

iv) Earmarked Deposits include the below mentioned

Particulars	As at March 31, 2014	As at March 31, 2013
a. Towards Building Fund held with		
State Bank of Hyderabad		
FD No - 62283347437	7500000	7500000
FD No - 62283347878	7500000	7500000
Central Bank of India		
FD No - 3330396721	8000000	0
Sub Total	23000000	15000000
b. Towards Training and Education Fund held with		
State Bank of Hyderabad		
FD No - 62314716620	5000000	5000000
FD No - 62314717341	10000000	10000000
Central Bank of India		
FD No - 3330396426	8000000	0
Sub Total	23000000	15000000
c. Towards Research Fund held with		
State Bank of Hyderabad		
FD No - 62290036033	2500000	2500000
FD No - 62314717341	2500000	2500000
Axis Bank		
FD No - 913040030694722	5000000	5000000
Central Bank of India		
FD No - 3330396426	4000000	0
Sub Total	14000000	10000000
Total (A+B+C)	14000247	10007250

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 - SHORT TERM LOANS & ADVANCES

Particulars	As at March 31, 2014	As at March 31, 2013
a. Unsecured, Considered good		
Loans & Advances to related parties	598822	598822
Loans & Advances to Zones/Chapters	486627	486627
Other Loans & Advances	127523	127523
Total	1212972	1212972

b. Loans & advances to related parties includes

Particulars	As at March 31, 2014	As at March 31, 2013
(i) Unsecured		
Past Directors of the Company	598822	598822
Total	598822	598822

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 back.

d. Rs.127523 is recoverable from Mr.Arun V A ,Chennai , a member of the institute on account of expenses incurred by him in connection with the AGM of the Institute during Feb'13. In the absence of Expense details and supporting vouchers , payments made to him is carried in the books as advance

e. In the absence of details and expense vouchers, advances to chapters/zones has not been charged to income and expenditure statement and carried as advances

10 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2014	As at March 31, 2013
Interest Accrued on fixed deposits	81,12,012	21,83,115
TDS Receivable 2010-11	1,73,118	1,73,118
Subscription Receivable	51,17,152	-
Prepaid Expenses	5,33,469	-
Total	1,39,35,751	23,56,233

11 - REVENUE FROM OPERATIONS

Particulars	2013-14	2012-13
Subscription Fee	2,11,21,458	6934466
Seminar fee	34,42,910	771300
Students Members Enrolment fee	2,05,500	0
Re-admission fees	2,80,000	0
Total	2,50,49,868	7705766

The Subscription fee for 2013-14 includes Rs 8299458 pertaining to prior periods and not recognised in books since Member's Register/Record were not in updated status prior to the reporting period.

Re-admission fees is in the nature of penalty, hence they have been treated as revenue

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

12 - OTHER INCOME

Particulars	2013-14	2012-13
Interest Income		
Interest from bank deposits	80,12,676	4377563
Revenue Subsidy	-	450000
Other income	1,74,238	44930
Sub total	81,86,915	4872493
Less: Interest from Earmarked investment transfer to corpus fund	26,85,592	3723145
Total	55,01,323	1149348

Details of Interest Income

Particulars	As at March 31, 2014	As at March 31, 2013
Union Bank Of India	13,56,077	1049504
Central Bank of India	19,91,108	0
ICICI Bank	-	1005648
Axis Bank	5,03,033	0
Syndicate Bank	11,69,450	93857
State Bank of Hyderabad	18,96,629	0
Interest on savings bank account	10,96,379	129388

13 - EMPLOYEE BENEFIT EXPENSE

Particulars	2013-14	2012-13
Salaries and incentives	7,60,342	696095
Staff Welfare	46,081	21592
Gratuity	-	0
Total	8,06,423	717687

14 - OPERATION & OTHER EXPENSES

Particulars	2013-14	2012-13
Administrative Office Rent	3,11,112	246400
Ahmedabad Office Rent	1,44,000	144000
Repairs & Maintainence		
- Office Equipments	60,141	6000
- Office	55,488	35931
Rates & Taxes	99,540	86529
Adevertisement	21,903	9340
	370	1200
News Papers & Periodics		
Worshops, Seminars & Training Expenses	41,04,101	1585693
Consumer Awareness Expenses	15,000	15000
Insurance Premium for members PA Group Insurance	5,20,000	0
Telephone & Communication Expenses	17,249	43441
Travelling Expenses	8,43,439	826467
Election Expenses(Zonal & Chapter Elections-2014)	1,84,311	0

Electricity Expenses	78,145	20717
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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	2013-14	2012-13
AGM Expenses	6,17,956	392143
Legal Exp	10,500	31000
General & Misc Expenses	1,61,407	44667
Postage & Courier	83,072	17557
Printing & Stationery	2,85,378	35600
Professional Charges	1,11,968	596905
Interest on Tds	9,003	3390
Payments to the auditor as		
auditor	60,000	50000
for tax matters	30,000	40000
for Service tax on audit fee,	11,124	11124
Reimbursement of Expenses	6,339	0
Total	78,41,546	42,43,104

15 - FINANCE COSTS

Particulars	2013-14	2012-13
Bank Charges	3,562	2281
Total	3,562	2281

16. Previous Figures are regrouped & rearranged so as to make them comparable with that of the current year where ever considered necessary.

17. Under the directives of the High Court, Ahemdabad 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 Ahemdabad. 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 pevious year (Untill 30.06.2012) 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 the 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.

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

18. The Management has consulted experts and has been advised that as it has been registered as a Company for promotion of Education and Training (otherwise than conduct of business for profit) under Section 25 of the Companies Act, 1956, it would be treated as a Mutual Organisation and will not be liable to tax on annual subscriptions collected from members, so far as it pursues 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 for the year.

It is pertinent note here that the Institute's application with the Tax Authorities for exemption under Section 12A and 80G of the Income Tax Act, 1961 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. Management expects to ensure compliance in near future and re-approach the Income Tax Department to get these approvals once the full elected council is in place.

19. The Zones, Chapters and Units were served with notices to submit accounts for the monies entrusted to them for the purposes of the activities of Institute or collected by them on behalf of the Institute. 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 years.

20. Exceptional item represents interest on income tax pertaining to financial years 2011-12 and 2012-13 determined and paid during the reporting period but not accounted in respective years Rs.347798 and Rs.864012 towards income tax demand for the year 2007-08. In this connection it is pertinent to note that Income Tax Authorities have re-opened the assessment for the year 2006-07 (Assessment Year 2007-08) and the matter is presently undergoing case hearings. Management has been advised that there would not be any further tax liability however interest on tax may arise for that year. Similarly, it is anticipated that tax authorities may re-open assessment for the years 2008-09 to 2011-12 and there could be tax outgo equivalent to tax on interest earnings of the respective years as also the interest for such delayed payments, which presently cannot be quantified.

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

Hyderabad, dated this 5th day of December, 2014

For and on behalf of the Board

Nominee Director

Nominee Director